

JOZINI LOCAL MUNICIPALITY



ANNUAL REPORT: 2016-2017 FY

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CONTENTS

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	8
A. MAYOR'S FOREWORD	8
B. EXECUTIVE SUMMARY	10
1.1. MUNICIPAL MANAGER'S OVERVIEW	10
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW	12
1.3. SERVICE DELIVERY OVERVIEW.....	18
1.4. FINANCIAL HEALTH OVERVIEW	21
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW	22
1.6. AUDITOR GENERAL REPORT	19
1.7. STATUTORY ANNUAL REPORT TEMPLATE	20
CHAPTER 2: GOVERNANCE.....	24
A. POLITICAL AND ADMINISTRATIVE GOVERNANCE	24
2.1. POLITICAL GOVERNANCE.....	24
2.2. ADMINISTRATIVE	31
2.3. AUDIT COMMITTEE	30
B. INTERGOVERNMENTAL RELATIONS.....	34
2.4. IGR.....	34
C. PUBLIC ACCOUNTABILITY AND PARTICIPATION.....	35
OVERVIEW ON PUBLIC ACCOUNTABILITY AND PARTICIPATION.....	35
2.5. PUBLIC MEETINGS	40
2.8. IDP PARTICIPATION AND ALIGNMENT.....	42
2.9. RISK MANAGEMENT	43
2.10. ANTI- CORRUPTION AND FRAUD	45
2.11. SUPPLY CHAIN MANAGEMENT.....	49
2.12. WEBSITES.....	47
2.13. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	61
CHAPTER 3: SERVICE DELIVERY PERFORMANCE	62
A. BASIC SERVICES.....	62
3.1. WATER PROVISION.....	62
3.2. WASTE WATER (SANITATION PROVISION)	68
3.3. Electricity	69
3.4. WASTE MANAGEMENT	72
3.5. HOUSING.....	80
3.6. FREE BASIC SERVICES AND INDIGENT SUPPORT	80
B. ROAD TRANSPORT	81
ROADS.....	81
WASTE WATER (STORMWATER DRAINAGE).....	85
C. PLANNING AND DEVELOPMENT.....	83
PLANNING.....	87
LOCAL ECONOMIC DEVELOPMENT	90
D. COMMUNITY AND SOCIAL SERVICES.....	96
INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES	93
LIBRARIES AND COMMUNITY FACILITIES	96

CEMETERIES AND CREMATORIUMS	101
CHILD CARE; AGED CARE; SOCIAL PROGRAMMMES	102
E. ENVIRONMENTAL PROTECTION	107
INTRODUCTION TO ENVIRONMENTAL PROTECTION.....	107
WASTE MANAGEMENT	107
F. HEALTH.....	109
G. SECURITY AND SAFETY	109
INTRODUCTION: PUBLIC SAFETY & DISASTER.....	109
PUBLIC SAFETY.....	109
FIRE & RESCUE SERVICES	111
DISASTER MANAGEMENT	114
OTHER (DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)	116
H. SPORT AND RECREATION	117
I. CORPORATE POLICY OFFICES AND OTHER SERVICES.....	119
INTRODUCTION TO CORPORATE POLICY OFFICES, Etc.....	119
EXECUTIVE AND COUNCIL	119
FINANCIAL SERVICES.....	120
HUMAN RESOURCE SERVICES.....	121
INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES.....	123
J. ORGANISATIONAL PERFORMANCE SCORECARD.....	124
KPA 1: INSTITUTIONAL DEVELOPMENT AND ORGANISATIONAL TRANSFORMATION.....	124
KPA 2: BASIC SERVICE DELIVERY	137
KPA 3: LOCAL ECONOMIC DEVELOPMENT	158
KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	173
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	195
KPA 6: SPATIAL PLANNING (CROSS CUTTING).....	207
CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE	212
INTRODUCTION.....	212
A. INTRODUCTION TO MUNICIPAL PERSONNEL.....	212
4.1. EMPLOYEE TOTALS	212
B. MANAGING THE MUNICIPAL WORKFORCE	213
INTRODUCTION TO MUNICIPAL WORKFORCE	213
4.2. POLICIES	214
4.3. INJURIES, SICKNESS AND SUSPENSIONS	216
C. CAPACITATING THE MUNICIPAL WORKFORCE	218
D. MANAGING THE WORKFORCE EXPENDITURE	220
WORKFORCE EXPENDITURE TRENDS (MBRR SA22)	220
CHAPTER 5: FINANCIAL PERFORMANCE	222
A. STATEMENTS OF FINANCIAL PERFORMANCE	222
5.2. GRANTS	227
5.3. ASSET MANAGEMENT	227
5.4. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS Error! Bookmark not defined.	
B. SPENDING AGAINST CAPITAL BUDGET	229

5.5. CAPITAL EXPENDITURE	229
5.6 SOURCES OF FINANCE.....	232
5.7. CAPITAL SPENDING ON 5 LARGEST PROJECTS	232
5.8. BASIC SERVICE INFRASTRUCTURE AND BACKLOGS- OVERVIEW	237
CASH FLOW MANAGEMENT	238
INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS	238
5.9. CASH FLOW	238
5.10. BORROWING AND INVESTMENTS	240
C. OTHER FINANCIAL MATTERS	241
5.12. SUPPLY CHAIN MANAGEMENT	241
5.13 GRAP COMPLIANCE	241
CHAPTER 6: AUDITOR GENERAL'S FINDINGS.....	242
INTRODUCTION.....	242
A. AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2014/15.....	289
6.1 AUDITOR GENERAL REPORTS Year -2 (2014/15)	290
6.2 AUDITOR GENERAL REPORTS Year -1 (2015/16)	290
AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2016/17	290
COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:2016/17	290
COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:	290
GLOSSARY	302
APPENDICES.....	307
APPENDIX A.....	304
CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY.....	12
A. MAYOR'S FOREWORD	12
B. EXECUTIVE SUMMARY	14
1.1. MUNICIPAL MANAGER'S OVERVIEW	14
1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW	15
1.3. SERVICE DELIVERY OVERVIEW	25
1.4. FINANCIAL HEALTH OVERVIEW	25
1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW	26
1.6. AUDITOR GENERAL REPORT.....	26
1.7. STATUTORY ANNUAL REPORT TEMPLATE	27
CHAPTER 2: GOVERNANCE.....	28
A. POLITICAL AND ADMINISTRATIVE GOVERNANCE	28
2.1. POLITICAL GOVERNANCE	28
2.2. ADMINISTRATIVE.....	35
2.3. AUDIT COMMITTEE	37
B. INTERGOVERNMENTAL RELATIONS	38

2.4. IGR	38
C. PUBLIC ACCOUNTABILITY AND PARTICIPATION	39
OVERVIEW ON PUBLIC ACCOUNTABILITY AND PARTICIPATION	39
2.5. PUBLIC MEETINGS	39
2.8. IDP PARTICIPATION AND ALIGNMENT	49
2.9. RISK MANAGEMENT	50
2.10. ANTI- CORRUPTION AND FRAUD	52
2.11. SUPPLY CHAIN MANAGEMENT	53
2.12 COMMENTS ON BY_LAWS.....	63
2.13. WEBSITES	64
2.13. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	65
CHAPTER 3: SERVICE DELIVERY OVERVIEW	66
A. BASIC SERVICES	66
3.1. WATER PROVISION	66
3.2. WASTE WATER (SANITATION PROVISION)	72
3.3. Electricity	73
3.4. WASTE MANAGEMENT	76
3.5. HOUSING	84
3.6. FREE BASIC SERVICES AND INDIGENT SUPPORT	87
ROAD TRANSPORT	88
ROADS.....	88
WASTE WATER (STORMWATER DRAINAGE)	89
B. PLANNING AND DEVELOPMENT	90
PLANNING	90
LOCAL ECONOMIC DEVELOPMENT	94
C. COMMUNITY AND SOCIAL SERVICES	100
INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES.....	100
LIBRARIES AND COMMUNITY FACILITIES	100
CEMETERIES AND CREMATORIUMS	108
CHILD CARE; AGED CARE; SOCIAL PROGRAMMMES.....	109
D. ENVIRONMENTAL PROTECTION.....	111
INTRODUCTION TO ENVIRONMENTAL PROTECTION	111
WASTE MANAGEMENT	111

E.	HEALTH.....	113
F.	SECURITY AND SAFETY.....	113
	INTRODUCTION: PUBLIC SAFETY & DISASTER.....	113
	PUBLIC SAFETY	113
	FIRE & RESCUE SERVICES	118
	DISASTER MANAGEMENT	118
	OTHER (DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)	120
G.	SPORT AND RECREATION.....	121
	INTRODUCTION TO SPORT AND RECREATION.....	121
	SERVICE STATISTICS FOR SPORT AND RECREATION	121
	ARTS AND CULTURE	121
H.	CORPORATE POLICY OFFICES AND OTHER SERVICES.....	123
	INTRODUCTION TO CORPORATE POLICY OFFICES, Etc.....	123
	EXECUTIVE AND COUNCIL.....	123
	FINANCIAL SERVICES.....	124
	HUMAN RESOURCE SERVICES	125
	INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES	127
I.	ORGANISATIONAL PERFORMANCE SCORECARD	128
	KPA 1: INSTITUTIONAL DEVELOPMENT AND ORGANISATIONAL TRANSFORMATION	128
	KPA 2: BASIC SERVICE DELIVERY.....	141
	KPA 3: LOCAL ECONOMIC DEVELOPMENT	162
	KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	177
	KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	199
	KPA 6: SPATIAL PLANNING (CROSS CUTTING).....	211
	CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE.....	216
	INTRODUCTION	216
A.	INTRODUCTION TO MUNICIPAL PERSONNEL	216
	4.1. EMPLOYEE TOTALS	216
B.	MANAGING THE MUNICIPAL WORKFORCE	217
	INTRODUCTION TO MUNICIPAL WORKFORCE	217
	4.2. POLICIES	218
	4.3. INJURIES, SICKNESS AND SUSPENSIONS	220

C.	CAPACITATING THE MUNICIPAL WORKFORCE	222
D.	MANAGING THE WORKFORCE EXPENDITURE	224
	WORKFORCE EXPENDITURE TRENDS (MBRR SA22).....	224
CHAPTER 5:	FINANCIAL PERFORMANCE	226
A.	STATEMENTS OF FINANCIAL PERFORMANCE	226
	5.2. GRANTS	234
	5.3. ASSET MANAGEMENT	234
	5.4. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS	235
B.	SPENDING AGAINST CAPITAL BUDGET	236
	5.5. CAPITAL EXPENDITURE	236
	5.6 SOURCES OF CAPITAL FINANCE	236
	5.7. CAPITAL SPENDING ON 5 LARGEST PROJECTS	236
	5.8. BASIC SERVICE INFRASTRUCTURE AND BACKLOGS- OVERVIEW.....	241
	CASH FLOW MANAGEMENT	242
	INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS	242
	5.9. CASH FLOW	242
	5.10. BORROWING AND INVESTMENTS.....	244
C.	OTHER FINANCIAL MATTERS	245
	5.12. SUPPLY CHAIN MANAGEMENT.....	245
	5.13 GRAP COMPLIANCE	245
CHAPTER 6:	AUDITOR GENERAL'S FINDINGS.....	246
	INTRODUCTION	246
A.	AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2014/15.....	296
	6.1 AUDITOR GENERAL REPORTS Year -2 (2014/15)	296
	6.2 AUDITOR GENERAL REPORTS Year -1 (2015/16)	297
	AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2016/17	297
	COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:2016/17	308
	COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:	308
GLOSSARY	309
APPENDICES	311

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES.....	313
APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY.....	315
APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS	325
APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE	326
APPENDIX K1	333
APPENDIX K2	333
APPENDIX L.....	334
APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES.....	0
APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS.....	0
Cash flows from operating activities	18
1. Presentation of Annual Financial Statements	19
1.2 Going concern assumption	19
1.3 Significant judgements and sources of estimation uncertainty	19
Impairment testing.....	19
Provisions.....	19
Useful lives of waste and water network and other assets	19
Allowance for doubtful debts	19
1.4 Property, plant and equipment	19
1.4 Property, plant and equipment (continued)	20
Work in progress	21
Recognition	21
1.5 Site restoration and dismantling cost	21
1.6 Intangible assets	21
1.6 Intangible assets (continued)	21
1.7 Financial instruments	22
Classification	23
Initial measurement of financial assets and financial liabilities	23
Subsequent measurement of financial assets and financial liabilities	23
Fair value measurement considerations.....	24
Reclassification	24

Gains and losses.....	24
Financial liabilities	24
1.8 Leases	25
Finance leases - lessee.....	25
Operating leases - lessor	25
Operating leases - lessee.....	25
1.9 Impairment of cash-generating assets	25
1.9 Impairment of cash-generating assets (continued)	26
Identification	26
Reversal of impairment loss	26
1.10 Impairment of non-cash-generating assets	27
1.10 Impairment of non-cash-generating assets (continued)	27
Identification	27
Reversal of an impairment loss	27
1.11 Employee benefits	28
1.11 Employee benefits (continued).....	28
1.12 Provisions and contingencies.....	28
1.12 Provisions and contingencies (continued).....	29
1.13 Revenue from exchange transactions.....	29
Sale of goods	30
Rendering of services.....	30
Interest	30
1.14 Revenue from non-exchange transactions.....	30
1.14 Revenue from non-exchange transactions (continued).....	31
Measurement	31
Property rates.....	31
Transfers	32
Value Added Tax.....	32
Fines	32
1.17 Events after the reporting date.....	32
1.20 Fruitless and wasteful expenditure.....	33
1.21 Irregular expenditure	33
1.21 Irregular expenditure (continued)	33

1.22 Commitments	33
1.23 Research and development expenditure.....	33
1.24 Budget information	33
1.25 Related parties	34
1.25 Related parties (continued)	34
1.26 Commitments	34
2.1 Standards and interpretations effective and adopted in the current year	35
2.2 Standards and interpretations issued, but not yet effective	35
3. Operating lease asset (accrual)	36
The municipality had the following bank accounts	41
8. Property, plant and equipment.....	41
WIP taking longer period of time to complete	44
8. Property, plant and equipment (continued).....	45
9. Intangible assets.....	45
11. Payables from exchange transactions.....	45
The provision for rehabilitation of landfill site.....	47
Performance bonus	47
Provision for leave.....	47
13. Provisions (continued)	48
Avarage for males and females 2017 2016	48
The amount recognised in the Statement of Financial position were determined as follows	48
Housing Grant	52
Remuneration of acting municipal manager (SW Zondo).....	59
Repairs and maintenance Repairs and maintenance has been re-classified under general expenditure and further broken down in terms of asset classes.....	64
30. Cash generated from operations	64
33. Prior period errors	65
Jozini Storm water.....	66
Market stalls	66
Statement of financial position	66
34. Comparative figures	66
Statement of financial position	66
Liquidity risk	66

Credit risk.....	66
Interest rate risk	67
36. Going concern.....	67
37. Events after the reporting date	67
38. Unauthorised expenditure	67
40. Irregular expenditure	67
42. Deviation from supply chain management regulations.....	68
Heading	69
Differences between budget and actual amounts basis of preparation and presentation	69
44. Budget differences (continued)	69

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

A. MAYOR'S FOREWORD



Cllr. DP Mabika
Mayor/Executive Mayor

It is a great honour for me to submit this Annual Report for the 2016/17 financial year our first as the fourth generation of local councils.

This is the 1st Annual Report of Jozini Municipal Council's 4th term of office and bears testimony to our commitment to enhance the well-being of our community through economic growth, social development and sustainable service delivery that is in harmony with the environment.

As we assumed office in the term we undertook to review both the vision and the mission.

Our vision as adopted being:

“A municipality with sustainable services for all, thriving socio- economic development and good governance.”

Our Mission

- To strengthen democracy, public participation and stakeholder management
- To manage financial resources of the municipality efficiently, effectively and economically
- To grow the economy of the bedrock of agriculture and tourism by creating a conducive environment for investment

Our Values

- Integrity
- Commitment
- Professionalism
- Patriotism

This deliberate move was born out of our zeal as a collective to ensure that we see and are committed towards **ONE END GOAL.**

Our vision, mission and values are underpinned by our commitment to serve and continuously improve the standard of our service delivery and the speed at which we resolve community dissatisfactions.

We as a collective have tirelessly worked to ensure that all programs, projects and activities informed by our Integrated Development Plan, our budget and the Service Delivery and Budget Implementation Plan are achieved without any compromise and or interruption.

We have faced many challenges during the year including reduced budget allocations, the drought and at times political instability. However we are proud that we have succeeded in employing a Municipal Manager which is a gateway to administrative stability and good governance.

The last financial year saw Jozini receiving an unqualified audit outcome from the office of the Auditor General, we seek to build on this and further improve towards a Clean Audit.

(Signed by :) _____

Cllr DP Mabika

Mayor/Executive Mayor

B. EXECUTIVE SUMMARY



MR. J. F. K. Khumalo
Municipal Manager

1.1. MUNICIPAL MANAGER'S OVERVIEW

As the Municipal Manager of Jozini Local Municipality and in terms of Section 55 of the Municipal Systems Act number 32 of 2000 (as amended), amongst other responsibilities, I am accountable for the formation and development of an economical, effective, efficient and accountable administration. This administration must be equipped to carry out the tasks of implementing the municipality's Integrated Development Plan and operating in accordance with the municipality's performance management system.

LEGISLATIVE MANDATE

The preparation of the Annual Report is a legislative requirement in terms of section 46 of the Municipal Systems Act (MSA) 32 of 2000 (as amended). The section for its part states the following:

“(1) A Municipality must prepare for each financial year a performance report reflecting-

- a) The performance of the municipality and each service provider during the financial year
- b) A comparison of the performance referred to in in para. (a) With targets set for and performances in the previous financial year, and
- c) Measures taken to improve performance

(2) An annual performance report must form part of the municipality's annual report (in terms of chapter 12 of the Municipal Finance Management Act (MFMA) 56 of 2003

The MFMA in section 121 for its part states that:

- (1) Every Municipality...must for each financial year prepare an annual report in accordance with this chapter. The Council of a municipality must within nine months after the end of the financial year deal with the annual report of the municipality...in accordance with section 129
- (2) The purpose of the annual report is:
 - (a) to provide a record of activities of the municipality...during the financial year to which the report relates
 - (b) to provide a report on performance against the budget of the Municipality...for that financial year; and
 - (c) to promote accountability to the local community for the decisions made throughout the year by the municipality...

Subsections (3) and (4) prescribe the contents of the annual report.

The 2016-2017 Annual Report is tabled against the above legislative backdrop and in compliance with MFMA 63. It is our intention both to fulfil the legislative requirements AND ACCOUNT FOR ALL OUR ACTIONS IN THE YEAR UNDER REVIEW.

The SDBIP score card has been utilized and included herein to account for all actions linked to the budget.

In line with the Municipal Systems Act number 32 of 2000 (as amended), we have worked hard to establish a performance management system that is commensurate with our resources, suited to our circumstances and in line with the priorities, objectives, indicators and targets contained in the Integrated Development Plan.

This report provides further insight into the approach that we adopted to ensure that performance and service delivery remain our key focus.

This approach has the following phases: planning; monitoring and managing performance information, performance measurement and analysis; performance review and improvement and performance reporting.

Over the past financial year, we have worked hard to promote a culture of performance management among our political structures, political office bearers, councillors, administration and in the community. It is the existence of this culture of performance management and support from all councillors that made it possible for the administration to deliver even under serious financial constraints.

The report will highlight the challenges that have been experienced, highlights & successes and importantly measures that have been put in place or introduced to deal with the challenges and prevent recurrence where possible.

I wish to thank the entire Jozini Local municipality team for the efforts, dedication, hard work and commitment to our vision.

Signed by: _____]

MR. J. F. K. Khumalo

Municipal Manager

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Jozini Local Municipality is one of four municipalities within the uMkhanyakude District Municipality. It is located in the northern portion of KwaZulu–Natal, and is bordered by Mozambique to the north, Swaziland to the west, Umhlabuyalingana to the east, Big Five/ Hlabisa to the south and Nongoma and Uphongolo to the west. It consists of 6 semi formalized towns viz. Jozini, Mkhuze, Ingwavuma, Ubombo, Bhambanana and Ndumo. The remaining parts of the municipality are characterized as being rural in nature. Jozini Municipality covers 32% (3057 Square Kilometres) of the total area of 13859 Square Kilometres of uMkhanyakude District Municipality.

The primary investment points are Mkhuze and Jozini; secondary investment points have been identified at Ingwavuma, Ubombo, Ndumo and Bhambanana and tertiary investment points have been identified at Ophansi, Manyiseni, Makwakwa, Emabhanoyini, Makhonyeni. These investment points are seen as the existing and future growth points in the municipal area and serve as the basis for the clustering of activities and services such as schools, shops, community halls, etc.

The municipal area is well served by major movement routes. These include a national link (N2), the R22 links Jozini to Manguzi in the Umhlabuyalingana Municipality and the 522-1 which extends from Ubombo in the south to Ingwavuma in the north.

Jozini local municipality is divided into twenty wards. The large area of Jozini jurisdiction falls under the ownership of Ingonyama Trust and some areas are privately owned by individuals while some portions are owned by the State. The current land ownership is one of the reasons why it is very difficult to control development in the Municipal area of jurisdiction.

Basic facts	Basic figures	
	Stats SA 2011	Community Survey 2016
Total population	186 502	198215
Total number of households	38 849	44 584
uMkhanyakude District Municipality	625 846	689 090
Age profile		
0-14	76 945	82 344
15-34	68 190	43 161
35-64	33 939	32 806
65+	7428	6824
% Household with no income	43%	

Investment points

Primary nodes	Secondary nodes	Tertiary nodes
Mkhuze	Ingwavuma	Ophansi
Jozini	Ubombo	Manyiseni
	Bhambanana	Makwakwa
	Ndumo	Emabhanoyini
		Makhonyeni

ADMINISTRATIVE ENTITIES

The Jozini Municipality has 7 Traditional Authority Areas. The following is a list of Traditional Councils in the Jozini Municipality:

- Mathenjwa
- Mngomezulu
- Nyawo
- Myeni-Ntsinde
- Jobe
- Myeni- Ngwenya
- Siqakatha (Gumede)

The Jozini Municipality also has a portion of State owned land within its area of jurisdiction.

POPULATION

According to the Stats SA 2016 Community Survey Jozini Municipality has a population of 198 215 people and 44 584 households. This represents 28.76% of the District's population (689 090). The municipality is the second most populated municipality following Mtubatuba municipality within Umkhanyakude District.

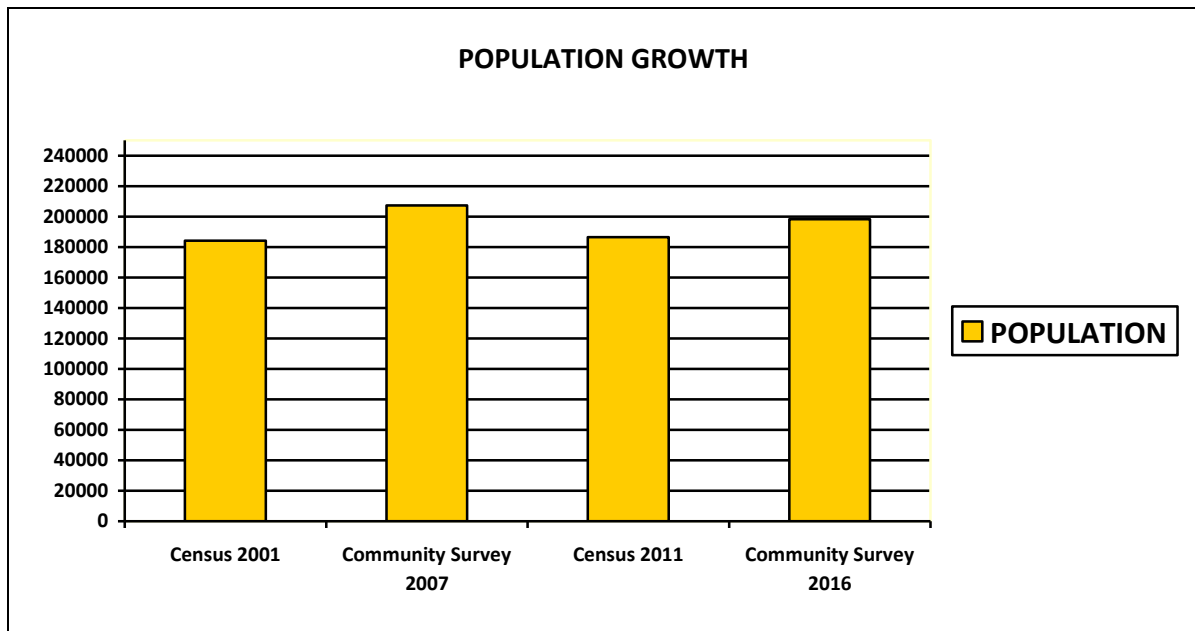
38% of the total population is between the ages of 14 and 35. Such a high number (76 241) of youth requires the municipality to put more emphasis on schools, recreation facilities and most important, job creation.

The statistics in the following table indicate that, the population of Jozini municipal area has increased by 6.28% between 2011 census and 2016 community survey.

KZ 272 Population Characteristics in comparison with other LMs in DC 27 (Source: STATSA)

MUNICIPALITY	PERSONS			
	Census 2001	CS 2007	Census 2011	CS 2016
Umkhanyakude	573 341	614 046	625 846	689 090
Umhlabuyalingana	140 958	163 694	156 736	172 077
Jozini Municipality	184 052	207 250	186 502	198 215
Mtubatuba Municipality	33 612	46 596	175 425	202 176
The Big Five Hlabisa Municipality	31 291	34 991	35 258	116 622
	176 890	150 557	91 925	

The graph below illustrates a significant increase in the population figures for Jozini between 1996 and 2001 census and 2007 community survey and then a decrease between 2007 community survey and 2011 Census.



Source: Stats SA

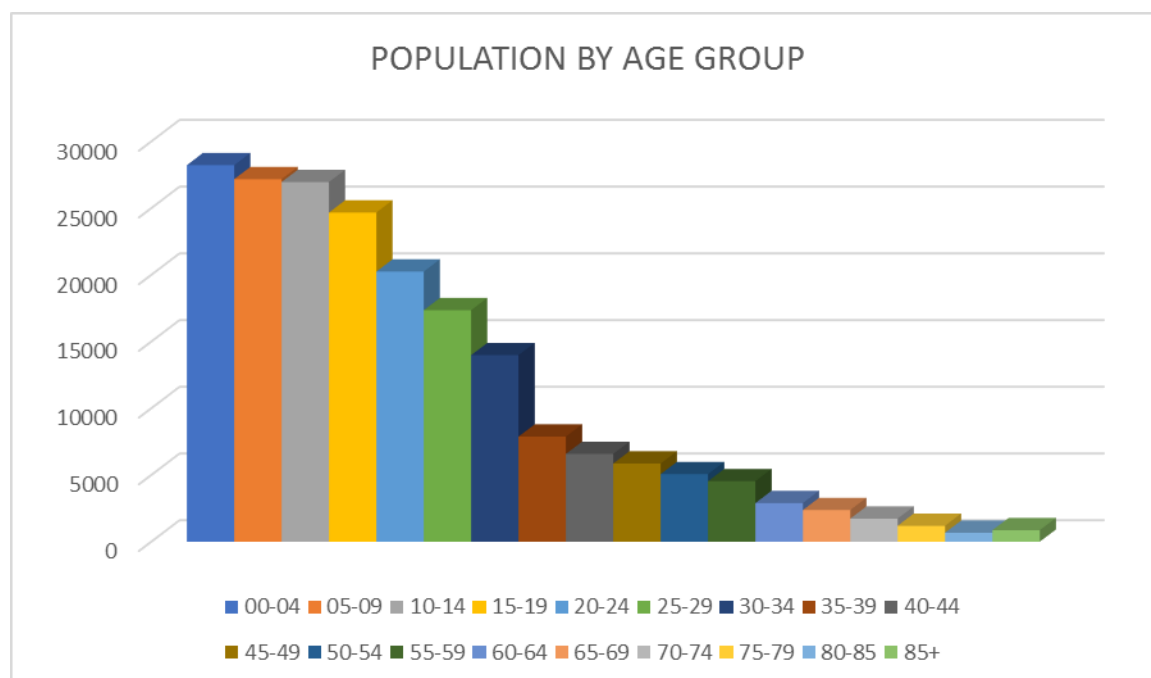
AGE PROFILE

In terms of 2007 statistical figures, the total figure for males and females within the age category of 0-19 was 114 217 which was about 52% of the total population (207 722). In 2011 this age category saw a decline of around 2.5% due to the increase in the total population number from 184 052 in 2001 to 207 722 in 2007. In the 2016 community survey; this age group increased by 5.1% (5139) from the 2011 total of 101 818.

In the 20-64 age category there was a population increase of 7 024. In the 65+ age category the number decreased to 6 824 from 7428 of 2011. This indicates a high mortality rate in this age group.

Table: Population Statistics (Age in five year category)

AGE GROUP	MALE	FEMALE	TOTAL
00-04	14 537	13 682	28 219
05-09	13 896	13 275	27 171
10-14	13 175	13 779	26 954
15-19	12 685	11 982	24 667
20-24	10 329	9 913	20 242
25-29	8 108	9 245	17 353
30-34	5 665	8 314	13 979
35-39	3 184	4 694	7 878
40-44	2 458	4 118	6 576
45-49	2 307	3 557	5 864
50-54	1 812	3 250	5 062
55-59	1 770	2 761	4 531
60-64	1 259	1 636	2 895
65-69	831	1 537	2 368
70-74	569	1 161	1 730
75-79	442	748	1 190
80-84	106	566	672
85+	150	714	864
TOTAL	93 283	104 932	198 215



Source: Statistics South Africa (Community Survey 2016)

The 0-19 age group continues to constitute a significant amount of the total population. This is the group that holds the key to regeneration and development efforts of any municipality. Jozini Municipality should develop supportive interventions in collaboration with other spheres of government to improve educational and vocational

job opportunities for this group. The municipality should find ways of contributing to early childhood development initiatives in the municipal area.

The municipality should further embark on interventions to alleviate the plight of young people who have become breadwinners as a result of HIV/AIDS.

The second highest category is age 20-64. This group is also faced by various environmental stresses that expose them to vulnerability and poverty. These include HIV/AIDS, unemployment and lack of skills. They constitute the poor and marginalized. Only 3.4% of the population is over the age of 65.

GENDER

The proportion of females is marginally higher (53%) than that of males which is a decrease from 2011 (54%); the social implications of this for the municipality are significant. It is likely to imply that women head most households and thus their participation in economic activities is limited by the need to fulfil dual roles of being a provider and a nurturer. The latter role is by its very nature time intensive and emotional oriented.

Table: Age and gender profile

Age Group	Males (2011)	Females (2011)	Total population (2011)	Males (2016)	Females (2016)	Total population (2016)
00-14	38 999	37 956	76 945	41 608	40 736	82 344
15-34	30 962	37 228	68 190	36 787	39 454	43 161
35-64	13 652	20 287	33 939	12 790	20 016	32 806
65+	2509	4919	7428	2 098	4 726	6824
Total	86017	100386	186502	93 283	104 932	198 215

Source: Stats SA Census 2001 and 2011 and Community Survey 2007

The powers and functions of the Municipality are described in the table below.

Table: Powers and Functions

FUNCTION	AUTHORIZATIONS	DEFINITION
Schedule 4		
Air pollution	Yes	Any change in the quality of the air that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Building regulations	Yes	The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of jurisdiction of a municipality, which must at least provide for: Approval of building plans; Building inspections, and Control of operations and enforcement of contraventions of building regulations. If not already provided for in the national and provincial legislation.
Child care facilities	Yes	Facilities for early childhood care and development which fall outside the competence of national and provincial government pertaining to child care

		facilities.
Electricity reticulation	Yes	Bulk supply of electricity, which include for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network, tariff policies, monitoring of the operation of the facilities for adherence to standards and registration requirements, and any other matter pertaining to the provision of electricity in the municipal areas.
Fire Fighting	Yes	In relation to District Municipality "Firefighting" means: Planning, co-ordination and regulation of fire services; specialized firefighting services such as mountain, veld and chemical fire services; co-ordination of the standardization of infrastructure.
Local tourism	Yes	The promotion, marketing and if applicable, the development, of any tourists attraction within the area of the municipality with a view to attract tourists, to ensure access, and municipal services to such attractions, and to regulate, structure and control the tourism industry in the municipal area subject to any provincial and national legislation, and without affecting the competencies of national and provincial government pertaining to nature conservation, museums, libraries and provincial cultural matters.
Municipal airport	No	A demarcated area of land or water or a building which is used or intended to be used, either wholly or in part, for the arrival or departure of aircraft which includes the establishment and maintenance of such facility including all infrastructure and services associated within an airport, and the regulation and control of the facility, but excludes airport falling within the competence of national and provincial government.
Municipal Planning	Yes	The compilation and implementation of and integrated development plan in terms of the Systems Act.
Municipal Health Services	No	Subject to an arrangement with MECs to do the necessary authorizations, or alternatively, subject to amendments to the Structures Act, Municipal Health Service means environmental health services performed by a district municipality and includes: • Air pollution, Noise pollution; Solid Waste Removal; Water and Sanitation; Licensing and control of undertakings that sell food to the public; Control of public nuisance; and Facilities for the accommodation, care and burial of animals.
Municipal public transport	Yes	The regulation and control, and where applicable, the provision of: • Services for the carriage of passengers, whether scheduled or unscheduled, operated on demand along a specific route or routes or, where applicable, within a particular area• Schedule services for the carriage of passengers, owned and operated by the municipality, on specific routes.
Pontoons and ferries	Yes	Pontoons, ferries, jetties, piers and harbors, excluding the regulation of international and national shipping and matter related thereto, and matters falling within the competence of national and provincial governments
Storm water	Yes	The management of systems to deal with storm water in built-up areas
Trading regulations	Yes	The regulation of any area facility and/or activity related to the trading of goods and services within the municipal area not already being regulated by

		national and provincial legislation
Water (Potable)	No	The establishment, operation, management and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution, bulk supply points, metering, tariffs setting and debt collection so as ensure reliable supply of a sufficient quantity and quality of water to households, including informal households, to support life and personal hygiene.
Sanitation	No	The establishment, provision, operation, management, maintenance and regulation of a system, including infrastructure, for the collection, removal, disposal and/or purification of human excreta and domestic waste-water to ensure minimum standard of service necessary for safe and hygienic households.
Schedule 5		
Amusement facilities /Beaches	Yes	A public place for entertainment. The area for recreational opportunities and facilities along the sea shore available for public use and any other aspect in this regard which falls outside the competence of the national and provincial government.
Billboards and the display of advertisements in public places	Yes	The display of written or visual descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which promotes the sale and/or encourages the use of goods and services found in: Streets; Roads; Thoroughfares; Sanitary passages; Squares or open spaces; and/or Private property.
Cemeteries, funeral parlors and crematoria	Yes	The establishment conducts and control of facilities for the purpose of disposing of human and animal remains.
Cleansing	Yes	The cleaning of public streets, roads and other public spaces either manually or mechanically
Control of public nuisance	Yes	The regulation, control and monitoring of any activity, condition or thing that may adversely affect a person or a community
Control of undertakings that sell liquor to the public	Yes	The control of undertakings that sell liquor to the public that is permitted to do so in terms of provincial legislation, regulation and licenses, and includes an inspection service to monitor liquor outlet for compliance to license requirements in as far as such control and regulation are not covered by provincial legislation.
Facilities for the accommodation, care and burial of	Yes	The provision of and/or the regulation, control and monitoring of facilities which provide accommodation and care for well or sick animals and the burial or cremation of animals, including monitoring of adherence to any standards and registration requirements outlined in legislation.

animals		
Fencing and fences	Yes	The provision and maintenance and/or regulation of any boundary or deterrents to animals and pedestrians along streets or roads.
Licensing of dogs	Yes	The control over the number and health status of dogs through a licensing mechanism.
Licensing and control of undertakings that sell food to the public	Yes	Ensuring the quality and the maintenance of environmental health standards through regulation, a licensing mechanism and monitoring of any place that renders in the course of any commercial transaction, the supply of refreshments or meals for consumption.
Local amenities	Yes	The provision, manage, preserve and maintenance of any municipal place, and building reserved for the protection of places or objects of scenic, natural, historical and cultural value or interest and the provision and control of any such or other facility for public use but excludes such places, land or buildings falling within competencies of national and provincial governments.
Local sport facilities	Yes	The provision, management and/or control of any sport facility within the municipal area.
Markets	Yes	The establishment, operation, management, conduct, regulation and/or control of markets other than fresh produce markets including market permits, location, times, conduct etc.
Municipal abattoirs	Yes	The establishments conduct and/or control of facilities for the slaughtering of livestock.
Municipal parks and recreation	Yes	The provision, management, control and maintenance of any land, gardens or facility set aside for recreation, sightseeing and/or tourism and include playgrounds but exclude sport facilities.
Municipal roads	Yes	The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with, , or belonging to the road.
Noise pollution	Yes	The control and monitoring of any noise that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Pounds	Yes	The provision, management, maintenance and control of any area or facility set aside by the municipality for the securing of any animal or object confiscated by the municipality in terms of its by-laws.
Public places	Yes	The management, maintenance and control of any land or facility owned by the municipality for public use.
Refuse removal, refuse dumps and solid waste disposal	Yes	The removal of any household or other waste and the disposal of such waste in an area, space or facility established for such purpose, and include the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment for the inhabitants of a municipality.
Street trading	Yes	The control, regulation and monitoring of the selling of goods and services

		along a public pavement, road reserve and other public places.
Street lighting	Yes	The provision and maintenance of lighting for the illuminating of streets.
Traffic and parking	Yes	The management and regulation of traffic and parking within the area of the municipality including but not limited to, the control over operating speed of vehicles on municipal roads.
Municipal public works		Any supporting infrastructure or services to empower a municipality to perform its functions

1.3. SERVICE DELIVERY OVERVIEW

The functions of the Municipality are set out in Section 156, read together with Schedules 4B and 5B of the Republic of South Africa Constitution Act, Act 108 of 1996. Basic Service delivery focuses primarily on the provision waste collection, roads and storm water.

Water and sanitation service is rendered by uMkhanyakude District municipality.

Jozini Local Municipality does not have electricity distribution license, even for the towns. Eskom is the Electricity Distributor for towns and rural villages. The whole electricity network under Jozini LM belongs to Eskom.

The above-mentioned services underlie the delivery of housing which is a concurrent Provincial and National Government competency. The Municipality has been providing basic services in accordance with the minimum prescribed levels since its inception.

1.4. FINANCIAL HEALTH OVERVIEW

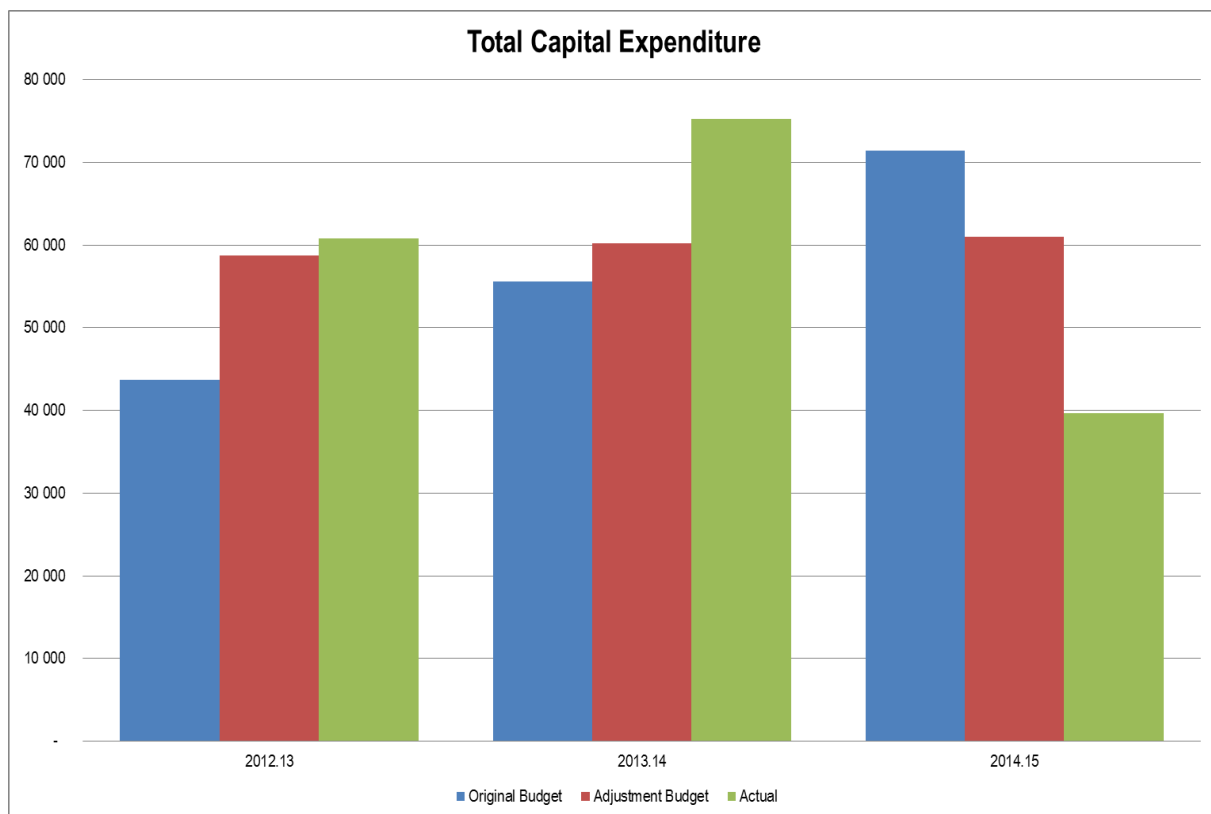
The municipality's financial status indicates a slight improvement in the Statement of Performance which reflect an increase in revenue of R 4 703 319 this is due to an increase in Transfer: operational.

The expenditure has increased by R 35 441 in the 2016/17 financial year this is largely due to an increase in employee costs, debt impairment and general expenses.

Revenue collection is still a challenge due to none payment of municipal accounts as well as due to a bulk of land in Jozini being rural and also owned by the Trust.

Operating Ratios	
Detail	%
Employee Cost	25%
Repairs & Maintenance	3%
Finance Charges & Impairment	125%

Total Capital Expenditure: Year -2 to Year 0			
	R'000		
Detail	Year -2	Year -1	Year 0
Original Budget	71450	72247	79723
Adjustment Budget	71450	66229	78988
Actual	50419	48404	58615



1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

Human resources are the Municipality's most valuable resources, without which we would not be able to render services.

1.6. AUDITOR GENERAL REPORT

Jozini Municipality received an unqualified audit opinion for the 2016/2017 financial year which is the maintenance from prior year 2015/2016.

1.7. STATUTORY ANNUAL REPORT TEMPLATE

Jozini shall for the purposes of drafting the 2016-2017 Annual Report utilize the hereunder template.

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit.	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	January

The importance of meeting the annual report deadlines is to ensure that the municipal performance against budget for the year is reported, and account to the community for decisions made by the municipality during the year.

It is also important that the municipality's IDP is aligned with the budget and performance management as these must be flawlessly assimilated. While IDP fulfils the planning stage, performance management fulfils the management of implementation, monitoring and evaluation of IDP.

CHAPTER 2: GOVERNANCE

A. POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1. POLITICAL GOVERNANCE

The Council of Jozini Municipality comprises of a total of 40 seats with 20 ward Councillors and 20 PR Councillors. The Council is chaired by the Speaker, Honourable Cllr EL Gumbi.

The Executive Committee comprises of eight (8) Councillors and is chaired by the Mayor, Honourable Cllr DP Mabika.

The executive and legislative authority is vested in the Council. The Council, therefore, has the final responsibility to take all the major decisions of the Municipality including delegation of powers to its principal committee the Executive, political office bearers, Council committees and officials.

POLITICAL PARTY DISTRIBUTION IN COUNCIL

Political Party	Number of seats
ANC	19
IFP	18
Independent candidate	1
EFF	1
DA	1
TOTAL	40

EXCO

Political Party	Number of seats
ANC	3
IFP	4
Independent Candidate	1
TOTAL	8

There are 6 Portfolio Committees established for political oversight over departmental activities and making recommendations to the Executive. It is in these committees where policy issues are debated thoroughly prior to their submission to the Executive and ultimately Council for adoption.

Through Portfolio Committees, Councillors are able to give political direction to the administrative programmes of Council.

Below are the Overall Council Committees that have been established to contribute to effective decision-making in processes of governance and ensure effective implementation of service delivery projects and monitoring thereof.

Section 44 Committee

- ✚ Executive Committee (EXCO)

Section 80 committees

- ✚ LED/ Tourism Portfolio
- ✚ Community Portfolio
- ✚ Corporate Portfolio
- ✚ Infrastructure Portfolio
- ✚ Strategic Portfolio
- ✚ Finance Portfolio

Section 79 Committee

- ✚ Municipal Public Accounts Committee (MPAC)

The political governance of the Municipality exercises its oversight role by ensuring continuous monitoring of the decisions implemented by the administration. The administration reports to section 80 committees on a monthly basis on the progress of implementation of the Annual Plan and decisions of EXCO and Council.

The Executive Committee receives recommendations from Portfolio Committees and may dispose of matters falling within its mandate or recommend for council to make a decision. Additionally, on a quarterly basis the Executive committee must prepare and table to council a report with a record of all decisions taken in the quarter.

Council at least once a quarter in its ordinary sitting receives a report on the overall performance of a quarter to enable it to monitor the extent of implementing its plan.

COUNCIL COMPOSITION (BEFORE THE LOCAL GOVERNMENT ELECTIONS – JULY TO 3 AUGUST 2016)

WARD	NAME	POLITICAL PARTY
1	Cllr. NS Myeni	IFP
2	Cllr. JE Buthelezi	IFP
3	Cllr. BN Mthethwa	ANC
4	Cllr. Zikalala	ANC
5	Cllr. SM Mthembu	ANC
6	Cllr. J Siyaya	IFP
7	Cllr. TL Mathenjwa	ANC
8	Cllr. TJ Ndlazi	ANC
9	Cllr. JM Mpontshane	IFP
10	Cllr. DM Mthembu	ANC
11	Cllr. SS Mkhize	ANC
12	Cllr. BQ Gumede	IFP
13	Cllr. BJ Msweli	ANC
14	Cllr. ME Ndlela	ANC
15	Cllr. BS Mathenjwa	ANC
16	Cllr. BN Khumalo	ANC

17	Cllr. RN Ndlovu	ANC
18	Cllr. TP Mbhamali	ANC
19	Cllr. DJ Mthembu	IFP
20	Cllr. SM Mathenjwa	ANC
PR	Cllr. MZ Nyawo	ANC
PR	Cll TS Mdluli	NFP
PR	Cllr. DP Mabika	IFP
PR	Cllr. KNC Dlamini	NFP
PR	Cllr. KB Madonsela	ANC
PR	Cllr. RH Gumede	ANC
PR	Cllr. ZB Ngobe	IFP
PR	Cllr. GE Ngcamphalala	IFP
PR	Cllr. TZ Nyawo	IFP
PR	Cllr. PJ Mabuyakhulu	IFP
PR	Cllr. SS Macwele	IFP
PR	Cllr. NG Fakude	ANC
PR	Cllr. IO Young	ANC
PR	Cllr. M Mathe	IFP
PR	Cllr. NL Mathenjwa	ANC
PR	Cllr. ML Mavundla	IFP
PR	Cllr. BZ Mngomezulu	NFP
PR	Cllr. MZ Tembe	ANC
PR	Cllr. GP Moodley	IFP
PR	Cllr. KP Mbatha	NFP

EXCO (BEFORE THE LOCAL GOVERNMENT ELECTIONS – JULY TO 3 AUGUST 2016)

NAME	PORTFOLIO	POLITICAL PARTY
Cllr. B.N. Mthethwa	Mayor	ANC
Cllr. T.S. Mdluli	Deputy Mayor (Finance)	NFP
Cllr. N.G. Fakude	Head Infrastructure	ANC
Cllr. R.H. Gumede	Head Corporate	ANC
Cllr. M.Z. Tembe	Community Services and Development Planning	ANC
Cllr. J. Siyaya	Ordinary member	IFP
Cllr PJ Mabuyakhulu	Ordinary member	IFP
Cllr T.S. Mabika	Ordinary member	IFP

POLITICAL STRUCTURE

MAYOR (Cllr. DP Mabika)



DEPUTY MAYOR (Cllr. SZ Mathenjwa)



SPEAKER (Cllr. EL Gumbi)



CHIEF WHIP (Cllr. TJ Nkosi)



EXECUTIVE COMMITTEE

Below is the executive committee structure of the municipality:

- 1) Chairperson: Strategic Planning Cllr. N. R. Zulu
- 2) Chairperson: MPAC: Cllr. P. N. S. Ngubane
- 3) Chairperson: Corporate Services: Cllr. N. S. Myeni
- 4) Chairperson Infrastructure: Cllr. B. N. Mthethwa
- 5) Chairperson: Finance: Cllr. D. P. Mabika
- 6) Chairperson: Community Services: Cllr. R. H. Gumede



COUNCIL COMPOSITION (FROM AUGUST 2016)

WARD	NAME	POLITICAL PARTY
1	Cllr. NS Myeni	IFP
2	Cllr. WN Dlamini	ANC
3	Cllr. BN Mthethwa	ANC
4	Cllr. TW Zikalala	ANC
5	Cllr. B Mahaye	IFP
6	Cllr. VE Gumede	ANC
7	Cllr. NL Gumbi	IFP
8	Cllr. ML Mavundla	IFP
9	Cllr. MS Nkosi	IFP
10	Cllr. JP Mkhwamubi	ANC
11	Cllr. SS Mkhize	ANC
12	Cllr. BQ Gumede	IFP
13	Cllr. BJ Msweli	ANC
14	Cllr. ME Ndlela	ANC
15	Cllr. SZ Mathenjwa	INDEPENDENT CANDIDATE
16	Cllr. DP Mabika	IFP
17	Cllr. TM Khumalo	ANC
18	Cllr. PE Vilane	ANC
19	Cllr. TZ Nyawo	IFP
20	Cllr. MZ Nxumalo	IFP
PR	Cllr. EL Gumbi	IFP
PR	Cllr. RH Gumede	ANC
PR	Cllr. NR Zulu	IFP
PR	Cllr. TD Khuzwayo	IFP
PR	Cllr. MZ Tembe	ANC
PR	Cllr. MZ Nyawo	ANC
PR	Cllr. M Mathe	IFP
PR	Cllr. JE Buthelezi	IFP
PR	Cllr. RN Ndlovu	ANC
PR	Cllr. HE Myeni	ANC
PR	Cllr NF Mthethwa	ANC
PR	Cllr SP Myeni	ANC
PR	Cllr TR Fakude	ANC
PR	Cllr PS Shabangu	ANC
PR	Cllr PNS Ngubane	DA
PR	Cllr SR Myeni	EFF
PR	Cllr SH Myeni	IFP
PR	Cllr B Nhlenyama	IFP
PR	Cllr LA Khumalo	IFP
PR	Cllr SK Mncwango	IFP

EXECUTIVE COMMITTEE

NAME	PORTFOLIO	POLITICAL PARTY
Cllr. D.P. Mabika	Mayor/ Finance	IFP
Cllr. N.S. Myeni	Corporate Services	IFP
Cllr. B.N. Mthethwa	Infrastructure	ANC
Cllr. R.H. Gumede	Community Services	ANC
Cllr. S.Z. Mathenjwa	Deputy Mayor/ LED-Tourism	Independent Candidate
Cllr. N.R. Zulu	Development Planning	IFP
Cllr. M.E. Ndlela	Ordinary member	ANC
Cllr. T.D. Khuzwayo	Ordinary member	IFP

TOTAL NUMBER OF COUNCIL AND ALL COMMITTEE SITTINGS

PERFORMANCE OF COUNCIL COMMITTEES AND COUNCIL

Meeting	Ordinary sittings	Special Sitings	Total Sitings
COUNCIL	10	22	32
MPAC	04	00	04
EXCO	10	06	16
FINANCE PORTFOLIO	04	02	06
CORPORATE SERVICES PORTFOLIO	08	01	09
INFRASTRUCTURE PORTFOLIO	03	04	07
COMMUNITY SERVICES PORTFOLIO	05	02	07
STRATEGIC AND DEVELOPMENT PLANNING PORTFOLIO	08	00	08
LED/ TOURISM PORTFOLIO	03	00	03

2.2. ADMINISTRATIVE

In the 2016/17 financial, the Municipality in its Organizational Structure had five (5) Departments reporting and responsible to the Office of the Municipal Manager as follows:

- Finance
- Corporate Services
- Community Services
- Infrastructure Services
- Strategic and Development Planning

MACRO ORGANISATIONAL DESIGN

The implementation of the organogram is one of the top priorities for the municipality. The municipality does not timeously fill vacancies leaving the establishment highly understaffed. The other challenge pertains to retaining qualified and experienced personnel resulting from the remote location of the area. One of the municipality's achievements in 2016/17 was filling the post of the Municipality which had been vacant since 2014.

Status of Senior Positions:

POSITION	STATUS	UNITS
Municipal Manager	<ul style="list-style-type: none"> Filled 	<ul style="list-style-type: none"> IDP PMS Internal audit Operations Management
Chief Financial Officer	<ul style="list-style-type: none"> Vacant There were 2 Acting CFO's 	<ul style="list-style-type: none"> Financial management Financial planning and assets management Supply chain management
Executive Director: Corporate Services	<ul style="list-style-type: none"> Filled 	<ul style="list-style-type: none"> Human Resource ICT Administration Legal
Executive Director: Community Services	<ul style="list-style-type: none"> Vacant There were 2 Acting Directors Community Services. 	<ul style="list-style-type: none"> Community works Social services Waste management Social Welfare Libraries and Thusong Centers Sports, Arts and Culture Public participation Public Safety
Executive Director: Strategic and Development Planning Services	<ul style="list-style-type: none"> Vacant There were 2 Acting Directors Strategic and Development Planning 	<ul style="list-style-type: none"> Housing Spatial Planning Building Control and Environmental management SPU LED Marketing Communications
Executive Director: Infrastructure Services	<ul style="list-style-type: none"> Vacant There were 2 Acting Directors Infrastructure Services 	<ul style="list-style-type: none"> PMU Operations and maintenance

2.3. AUDIT COMMITTEE

The Audit Committee of Jozini Municipality consists of the four (4) non-executive members. This Committee also acts as a Performance Audit Committee.

Details	Meetings Attended	Status
Mr. TB Hlongwa – AC Chair	4	Active
Mr. Z Zulu	4	Active
Mr. I Patel	4	Active
Mrs S Mthembu	5	Active

The Committee performed its responsibilities in terms of the Municipal Finance Managed Act, the Audit Committee Charter as well as the Code of Corporate Governance. By law the Committee is expected to meet at least four times during the year. The Committee had 5 meetings (20/07/16, 29/08/16, 06/10/16, 21/02/17 & 19/06/17) where Internal Control Environment, Risk Management, Governance and Performance Management were dealt with and the committee prepared reports on their observations for council as per the requirement of the act.

The Committee received audit reports from Internal Audit and PMS in accordance with the Internal Audit Plan that was approved by it on the 06th October 2016. The Internal Audit and Performance Management Unit performed their responsibilities diligently and objectively and the reports were of a high standard. Reports were focused on the high risk issues as identified in the risk assessment process and action plan. The committee assessed some internal financial controls and the auditing thereof and made some recommendations and suggested improvements.

Assurances were given to the Committee that the internal financial reporting was in place and that regular reports were submitted to the Council.

Compliance with the MFMA was the focus of the financial administration and some challenges in the application of the SCM policy of the Municipality were identified and corrected.

The final Annual Financial statements were discussed by the Committee and the committee was satisfied that the statements reflect a true reflection of the financial situation at the end of the financial year.

B. INTERGOVERNMENTAL RELATIONS

2.4. IGR

Jozini Municipality has developed a number of programmes and actions to improve good governance and relations with external role-players but also to improve internal efficiencies.

Jozini Local Municipality falls under the uMkhanyakude District Municipality which has an operational IGR structure. There are a number of forums/ clusters that have been established in the District and Jozini is part of those forums and participates in IGR forum meetings. Each Forum/ cluster is chaired by municipal managers except for the Mayors' Forum which is chaired by the District Mayor. The Forums are as follows:

- Mayor's Forum
- Municipal Managers' Forum
- CFO's Forum
- Planners' Forum (which includes LED)
- Corporate Governance Cluster
- Technical Services and Infrastructure cluster
- Community Services cluster

The MUNI-MEC is a provincial intergovernmental body that meets quarterly to analyse the state of local government and is made up of the MEC and Municipal Mayors and Municipal Managers within the province. The body also serves as a platform where programmes and projects by Provincial and National Government that will be implemented locally are packaged. Current issues and challenges affecting municipalities are identified and strategically dealt with.

His Worship the Mayor Cllr DP Mabika and the Municipal Manager Mr JFK Khumalo form an integral part of this forum as representatives of the municipality.

The person who is delegated as the IGR champion in the municipality is the Assistant Manager Communications but all sections are part of the IGR forums in the district.

C. PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW ON PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Constitution (Section 152) sets out the objects of local government, one of which is the provision of democratic and accountable government to local communities. This is reiterated by Section 15 (b) of the Municipal Systems Act which requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff.

A second constitutional objective is the encouragement of local communities and community organisations to partake in the matters of local government. This is reiterated by the Chapter 4 of the Municipal Systems Act, Act 32 of 2000 which deals exclusively with community participation. A Municipality is required to develop a culture of community participation and develop a system of participatory municipal governance that compliments formal representative governance. The municipality is also required to supply its community with information concerning municipal governance, management and development.

2.5. PUBLIC MEETINGS

Public participation is defined as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making. It is further defined as a democratic process of engaging people, deciding, planning, and playing an active part in the development and operation of services that affect their lives. Our primary public participation mechanisms are our Ward Committees and public meetings.

WARD COMMITTEES

Jozini municipality utilizes various platforms and strategies for public participation with Ward Committees as the bedrock upon which public participation rests.

The municipality established the new ward committees after the local government elections in all the 20 municipal wards.

Induction of ward committees was conducted during the year under review in order to ensure their effective functionality. The stipend of R1000.00 is paid to all ward committee members subject to the attendance of one meeting per month.

In addition to ward committees, the Service Delivery and Budget Implementation Plan (SDBIP) and the Organisational Scorecard are made public and published on the municipal website in order for the public to know exactly what to expect by when. This contains projected financial and service delivery Indicators and deliverables. In 2016/17 the municipality also workshopped the ward committee members on the Organisational Scorecard.

In the promotion of public accountability and participation council meetings are advertised to invite members of the public to attend all meetings of the Council and its committees.

The ward committees participated fully during the IDP review process through the IDP/Budget road shows which are another mechanism of public participation.

The Mayoral Izimbizo (IDP and Budget) is held twice. The first round is prior to development of the draft IDP and budget in order to provide feedback to the community the implementation of projects in the current financial year and to illicit the needs of the community in order to provide input for the new financial year.

A second round of izimbizo is held once the draft budget has been developed in order to inform the public of key elements in the proposed budget and solicit the public input on the draft IDP and Budget.

The following community participation methods were used to ensure that the Jozini community is informed of the Municipal affairs and their concerns were accommodated in the planning process:

- Ward committee meetings
- Municipal quarterly meetings
- Community meetings by Councillors
- IDP meetings
- Project based meetings
- Ward based planning
- Complaints register
- OSS
- War Rooms

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
WARD 1	Cllr N.S Myeni	yes	12	12	04
	Bhekinkosi Fakude				
	Mziyakho Thembisile				
	Phumzile Mathe				
	Jabulani Myeni				
	Velaphi Dladla				
	Jabulile Shongwe				
	Lungile Ndlovu				
	Sgugu Nkosi				
	Thandeka Hlatshwayo				
	Thembinkosi Mbhamali				
WARD 2	Cllr W.N Dlamini	yes	12	12	04
	Thandazile Mabaso				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Desmond Mlambo				
	Thandeka Mabaso				
	Nkosinathi Mathenjwa				
	Martin Tembe				
	Bongiwe Molefe				
	Nkosingiphile Mbatha				
	Thulani Gumede				
	Sfiso Gina				
	Fedman Myeni				
WARD 3	Cllr B.N Mthethwa	yes	12	12	04
	Florida Mngomezulu				
	Fikile Mgabhi				
	Nestar Mabika				
	Mxolisi Mthembu				
	Kheswa Lungile				
	Landeni Ntshembeni				
	Thembi Malinga				
	Thembisile Nkosi				
	Sbongile Nsele				
	Busisiwe Mthembu				
WARD 4	Cllr T.W Zikalala	yes	12	12	04
	Zandile Sibiya				
	Zakhele Dlamini				
	Mandla Manukuza				
	Sebenzile Zulu				
	Nkosi Ntombfuthi				
	Gumede Sebenzile				
	Gumede Phumelaphi				
	Xaba Thobani				
	Thandi Tetwayo				
WARD 5	Cllr B Mahaye	yes	12	12	04
	Gcineni Buthelezi				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Lindiwe Ntimbane				
	Lindiwe Gumede				
	Phumelele Sbiya				
	Nomthandazo Dlamini				
	Dumsani Zwane				
	Nakeni Nkosi				
	Fihlani Buthelezi				
	Thulani Msezane				
	Sipho Buthelezi				
WARD 6	Cllr V Gumede	yes	12	12	04
	Bheki Sibiya				
	Siyabonga Myeni				
	Bonabanye Ntshangase				
	Timoty Mathe				
	Khethaliphi Zondo				
	Madoda Dlamini				
	Gumbi Busisiwe				
	Bhekani Mthembu				
	Sthembiso Smamane				
	Amon Ximba				
WARD 7	Cllr N Gumbi	yes	12	12	04
	Bongani Mkhwananzi				
	Dombi Ndlazi				
	Bathobile Mabuyakhulu				
	Gugulethu Myeni				
	Fisani Buthelezi				
	Mandla Nsusha				
	Thokozani Nyawo				
	Lungile Shezi				
	Shadrack Mzileni				
	Sbongile Zwane				
WARD 8	Cllr ML Mavundla	yes	12	12	04
	Nonhlanhla Buthelezi				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Molweni Myeni				
	Bongekile Menyuka				
	Sphamandla Mthembu				
	Siphon Dludlu				
	Luckyboy Mabika				
	Busisiwe Ntshakala				
	Matrinah Mkhabela				
	Sipho Madlopha				
WARD 9	Cllr M Nkosi	yes	12	12	04
	Steven Nyawo				
	Precious Nyawo				
	Tholwaphi Buthelezi				
	Busisiswe Gumede				
	Dothia Gumede				
	Thembaletu Ntimbane				
	Hleziphi Sibiya				
	Ntokozo Mathe				
	Linduyise Nyawo				
	Mphikwa Mathenjwa				
WARD 10	Cllr J Mkhwamubi	yes	12	12	04
	Vusi Gumede				
	Johan Ndlovu				
	Khanyisile Gumede				
	Phumzile Ndlazi				
	Dumsani Gumede				
	Dumsani Gumede				
	Skhaliso Gamede				
	Dumsani Ntuli				
	Jonhson Ngwenya				
	Philip Mpontshane				
WARD 11	Cllr S S Mkize	yes	12	12	04
	Bongumusa Mngomezulu				
	Mzwandile Gina				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Thandazile Mngomezulu				
	Khonangenkosi Gina				
	Proffesor Makhunga				
	Andile Mngomezulu				
	Phumzile Mngomezulu				
	Owen Mpungose				
	Simon Mafuleka				
	Phumzile Ngobe				
WARD 12	Cllr B.Q Gumede	yes	12	12	04
	Thulani Ndlazi				
	Jabulani Mpontshane				
	Jeremia Tembe				
	Malibase Thandazile				
	Daniel Gumede				
	Felani Msweli				
	Sphephile Tembe				
	Gwinyitshe Ndlovu				
	Maria Vilakazi				
	Nabezile Ndlovu				
WARD 13	Cllr B Msweli	yes	12	12	04
	Sphelele Gumede				
	Moses Gumede				
	Ntuthuko Menyuka				
	Mpiyakhe Sbiya				
	Thembisile Ngwenya				
	Makhosi Gumede				
	Peter Mlambo				
	Dumazile Masinga				
	Thulani Mpontshane				
	Themba M Tembe				
WARD 14	Cllr M.E Ndlela	yes	12	12	04
	Zinto Mabuyakhulu				
	Nkonkozela Mafuleka				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Gladnees Shongwe				
	Hezekia Mngonezulu				
	Siphosenkosi Mathaba				
	Dumsani Mathenjwa				
	Sandile Mngomezuluye				
	Siphila Fakude				
	Siphamandla Mkhaliphi				
	Gabisile Mngomezulu				
WARD 15	Cllr S Mathenjwa	yes	12	12	04
	Douglas Mngomezulu				
	Nomusa Maziya				
	Thembelani Ntshangase				
	Sdumo Nkosi				
	Mduduzi Mathenjwa				
	Antony Mathenjwa				
	Phumelelo Mendula				
	Bonginkosi Myeni				
	Bongiwe Gina				
	Jabulani Mathenjwa				
WARD 16	Cllr D.P Mabika	yes	12	12	04
	Khumbulani Gumede				
	Nkosinathi Mthembu				
	Jabulani Ndlovu				
	Sixolile Shongwe				
	Dumazile Gumede				
	Sbongile Gumede				
	Sindi Thabede				
	Mbongeni Ngwenya				
	Nokuthula Tembe				
	Ngiphiwe Mbuyisa				
WARD 17	Cllr T. Khumalo	yes	12	12	04
	Zakhele Gumede				
	Phelelani Gumede				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Thamsanqa Mathenjwa				
	Philisiwe Ndamane				
	Girle Ngcamphalala				
	Themba Ndlovu				
	December Khumalo				
	Alice Masinga				
	Ben Dlazi				
	Dlamini Oscar				
WARD 18	Cllr P Vilane	yes	12	12	04
	Xolani Mathenjwa				
	Phumlani Dlamini				
	Mduduzi Vilane				
	Hlengiwe Tembe				
	Bhekilanga Mngomezulu				
	Simon Mngomezulu				
	Zethu Myeni				
	Fikile Ntshangase				
	Nozipho Mngomezulu				
	Theresa Mngomezulu				
WARD 19	Cllr T.Z Nyawo	Yes	12	12	04
	Zinhle Mpontshane				
	Abenego Ntombela				
	Thandazile Ntanzu				
	Wnnie Sbiya				
	Simo Sbiya				
	Nelile Mpontshane				
	Sbusiso Ngwenya				
	Buyelaphi Madlala				
	Sbonga Mpontshane				
	Ntombifuthi Ngubane				
WARD 20	Cllr M Nxumalo	yes	12	12	04
	Philimon Mathenjwa				
	Tholakele Dlamini				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Nomusa Gumbi				
	Busi Mkhwanazi				
	Thembi Myeni				
	Nobayeni Mncwango				
	Bhekinkosi Vilane				
	Mbongiseni Majozi				
	Mlondolozzi Ntshangase				
	Titus Zulu				

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
IDP/ Budget Public consultation meetings	- 17/11/16 - 18/11/16 - 22/11/16 - 23/11/16 - 24/11/16	All	14	1500	Yes	April
IDP/ Budget Roadshows	- 25/04/17 - 11/05/17 - 12/05/17	Al	23	1200	Yes	July Strategic scorecard adopted and given to ward Councillors Final IDP published

Mayoral Ward visits and OSS interventions (As per the Pictures below)						Service Delivery issues and engagement between Executive Mayor and Community Members
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Ward 1 Operation Sukuma Sakhe House Handover by the Honourable Mayor Cllr. D. P. Mabika

2.7. EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

Public meetings are generally beneficial to the municipality because of the following:

- Dissemination of information,
- Community participation in the development of municipal plans,
- IDP/Budget inputs,
- Being aware of the concerns of residents,
- Providing clarity on issues and accountability of the municipality to its residents

The ward committee meetings and public meetings were effective as community concerns and inputs were as a result considered in the municipal planning processes.

The ward committee reports also informed the Municipality of the challenges faced by the communities as well as their needs. The public meetings reports were prepared once the meetings were conducted and submitted to Council for consideration.

The municipality undertook the ward based planning in November 2016 and Ward Based Plans were developed in February 2017.

The IDP projects are informed by these ward based plans.

There is a challenge of some ward committees not submitting their reports to the municipality.

2.8. IDP PARTICIPATION AND ALIGNMENT

Chapter 4 of the Municipal Systems Act (32 of 2000) makes provision for communities to take part in the affairs of the municipality. The process of public participation at Jozini Local Municipality has had a multi-faceted approach. The Municipality engaged with all twenty (20) wards, and their respective communities within the Municipality through Integrated Development Planning process.

Adhering to this process the Municipality conducted consultative meetings within all 20 wards of the municipality. Through these meetings, communities were exposed to the Municipal Plan and were encouraged to make inputs not only on the plan, but also on the budget.

The IDP and Budget road shows created opportunities whereby communities could interact directly with their newly elected Mayor and Leaders on issues that affect them, especially delivery of basic services. Throughout the road shows issues around provision of water, sanitation, electricity, housing and roads were raised by members of various communities, but it was explained to them that water and sanitation provision are the DC27 powers and functions and the Municipality is engaging in various strategies towards universal access. Such strategies include engaging the Department of Energy to increase its schedule 5 allocation to the Municipality, DBSA on possible frontloading and ESKOM to harmonize planning and project execution.

The IDP road shows were held in the year under review, by clustering wards into 3 separate clusters. The cluster approach maximized numbers of participation and created an environment whereby a broader community was reached. Furthermore, this process enabled members of the community to interact directly with their Mayor and Councillors on issues regarding service delivery.

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
* Section 26 of Municipal Systems Act 2000	T 2.5.1

D. CORPORATE GOVERNANCE

Corporate Governance is the set of processes, practices, policies, laws and relationships affecting the manner in which an institution is directed, administered or controlled.

2.9. RISK MANAGEMENT

Section 62(i) (c) of MFMA requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

Jozini Municipality committed to a process of risk management aligned to the principles of good corporate governance, as supported by the Municipal Finance Management Act (MFMA), Act no 56 of 2003, and has developed an Enterprise Risk Management Policy and Framework.

The Risk management assessments were carried out through the assistance of the Department of Treasury to update the Risk Register, a tool to develop the risk management action plan which is monitored continuously throughout the financial year.

During the year under review the municipality did not have a fully functional risk management office however management has ensured that the responsibilities of the office are incorporated in the Internal Audit Office. There is a Risk Officer post which is vacant and it will be filled in 2017/18.

It is expected that the risk management processes will become embedded into the Municipality's systems and processes, ensuring that the Municipality's responses to risk remain current and dynamic.

All risk management efforts will be focused on supporting the Municipality's objectives on the one hand and they must ensure compliance with relevant legislation and fulfil the expectations of employees, communities and other stakeholders in terms of corporate governance on the other.

Risk Assessment Process:

- Preparatory Pack and Workshop: All participants were sent a brief preparatory pack explaining the objectives of the workshop session and the risk categories. The participants were required to carefully consider their input to the workshop ahead of the workshop.
- Risk Identification: A workshop was conducted on 14 July 2016 to identify Operational and Information Technology risks with the potential to impede the municipal's ability to achieve its objectives and programme goals.
- Control Identification and Action Plans: The participants were asked to identify both the current controls the Municipality may have in place to mitigate the risks identified; and possible action plans to be implemented to improve the mitigation of the risk, if it was felt improvement was necessary.
- Rating of Risks and Controls: After identification of the risks and controls, the participants were asked to rate the risks. The rating process was split into three aspects.

The first phase of the rating process required participants to rate on the inherent nature of the risks identified in terms of likelihood and impact.

Likelihood:	Refers to the probability that a given event in the form of risk will occur (the probability of the occurrence of the risk event).
Impact:	Refers to the effect on the entity's objectives and goals should the risk occur (the potential effect on the business of the risk event).

The second phase of the rating process required the participants to rate on how they perceived the current controls in place were working to mitigate the risks identified. This process required management to assess the control effectiveness based on their understanding of the control environment currently in place. This phase is called the Control Effectiveness rating phase. In order to rank the control effectiveness the following table was used as a guideline:

EFFECTIVENESS CATEGORY	CATEGORY DEFINITION	FACTOR
Very good	Very good Risk exposure is effectively controlled and managed.	0.20
Good	Majority of risk exposure is effectively controlled and managed.	0.40
Satisfactory	There is room for some improvement.	0.65
Weak	Some of the risk exposure appears to be controlled, but there are major deficiencies.	0.80
Unsatisfactory	Control measures are ineffective.	0.90

Based on the above rating, the third phase of the rating process required the participants to rate on where would they like (desire) their current control environment to be, bearing in mind their environment and any action plans that were identified to strengthen the current control environment. Hence, if the current control environment was rated as weak (per table above), the participants may have felt the desire to have a stronger control environment, and would have voted based on the action plans identified. The table above was also used in this process. Where participants did not feel qualified to vote on a particular risk, they were requested to abstain from voting.

Top 10 Inherent Risks

- Risk 01: Business Support: Town Planning Processes
- Risk 02: Financial Management: Revenue Management
- Risk 03: IT - Information Security
- Risk 04: IT - Disaster Recovery
- Risk 05: IT - Physical Access and Environmental Controls
- Risk 06: Financial Management: Financial Planning
- Risk 07: Community Services: Disaster Management
- Risk 08: Business Support: Registry/Records Management
- Risk 09: IT - Governance
- Risk 10: Economic Development: Investment Attraction and Retention

Top 10 Residual Risks

- Risk 01: Business Support: Town Planning Processes
- Risk 02: Financial Management: Revenue Management
- Risk 03: IT - Governance

- Risk 04: Economic Development: Investment Attraction and Retention
- Risk 05: Infrastructure: Projects Implementation
- Risk 06:Community Services: Landfill Site
- Risk 07: IT - Disaster Recovery
- Risk 08: Financial Management: Financial Planning
- Risk 09: Business Support: Registry/Records Management
- Risk 10: Community Services: Disaster Management

2.10. ANTI- CORRUPTION AND FRAUD

Fraud prevention can be seen as the cumulative effect of both prevention and detection systems incorporated by management. The detection of fraud can only lead to the prevention thereof if the response thereto acts as a deterrent.

Jozini Municipality has developed and approved Anti-fraud and Corruption Policy/ Strategy. The municipality is committed to communicate the Strategy with its citizens in order to promote awareness of its stance and approach.

This policy applies to all attempts and incidents of alleged /suspected fraud and corruption impacting or having the potential to impact Jozini Local Municipality.

It actually covers any matter which may be construed as attempted or actual fraud or corruption affecting the Municipality, both from internal or external sources.

The Anti- Fraud and Anti-Corruption outlines the Jozini Local Municipality's commitment to creating and maintaining a high standard in factors like: **Administration, Conducting of its affairs, its employees, and all those those are associated with the Municipality itself.**

Jozini Local Municipality's policy is truly Zero **Tolerant** to Fraud and Corruption. In addition all the alleged/suspected fraud and corruption was investigated and followed up by the application of all remedies available within the full extent of the law as well as the application of appropriate prevention and detection controls.

The policy adheres to the following legislation as a guideline:

- Prevention and Combating of Corrupt Activities Act No 12 of 2004
- Municipal Finance Management Act No, 56 of 2003
- The Constitution of the Republic of South Africa, Act No. 108 of 1996
- Municipal Systems Act No 32 of 2000
- Prevention of Organized Crime Act No, 121 of 1998 (POCA)
- Protected Disclosures Act 26 of 2000
- Financial Intelligence Centre Act, 38 of 2001 (FICA)

The following investigations were conducted during 16/17, most of them had commenced in 2015/16.

List of investigations as at 30 June 2017

No.	PROJECT	START DATE (appointment of Forensic Investigators)	END DATE (Issue of final Report)	FORENSICS APPOINTED	STATUS (as at 30 June 2017)
1.	Subsistence and Travel Allowance Claims	29 February 2016	N/A	YES- Integrity Forensic Solution	In-progress
2.	Hiring of Taxis	29 February 2016	N/A	YES- Integrity Forensic Solution	In-progress
3.	Joy project	29 February 2016	N/A	YES- Shakaman Consultants	In-progress
4.	Poverty alleviation Project	29 February 2016	N/A	YES- Shakaman Consultants	In-progress
5.	Ghost Employees	05 December 2016	N/A	YES- Mkhize Attorneys	In-progress (Case number 68/11/2016)

2.11. SUPPLY CHAIN MANAGEMENT

The Municipality has an adopted Supply Chain Management (SCM) Policy in line with the Supply Chain Management Regulations. In the current year the staff was afforded a unit standard aligned training in SCM and ONLY those who have undergone this training sit on bid committees. The SCM unit reports on a monthly basis through a register tracing Irregular, Fruitless and Wasteful, unauthorized expenditures. This is done to minimize and avoid the occurrence of such expenditure.

LIST OF AWARDED CONTRACTS

PROJECT NAME	PROJECT NO	COMPANY NAME	AMOUNT	DATE
Panel of Consultants for the provision of Electrical Engineering Professional Services	JMC001/07/15	RPS Ilangabi	7% of the total cost of the project	29/02/2016
Panel of consultants for the provision of Electrical Engineering Professional Services	JMC001/07/15	Izingodla Engineering	14% of the total cost of the project	29/02/2016
Panel of consultants for the provision of Professional Engineering Services for MIG projects	JMC001/07/15	MMK Engineers	14 % of the total cost of the project	29/02/2016

Panel of consultants for the provision of Professional Engineering Services for MIG projects	JMC001/07/15	Vumesa (Pty) Ltd	11 % of the total cost of the project	29/02/2016
Panel of consultants for the provision of Professional Engineering Services for MIG projects	JMC001/07/15	Dlamindlovu Engineering Consultants	12 % of the total cost of the project	29/02/2016
Panel of Forensic Investigators	JMC004/07/15	Shakaman Consultants	R651.51 per hour	29/02/2016
Panel of Forensic Investigators	JMC004/07/15	Integrity Forensic Solutions	R915.17 per hour	29/02/2016
Panel of Attorneys for Legal Services	JMC004/07/15	Weich and Kriel Inc	R1368.00 per hour	29/02/2016
Panel of Attorneys for Legal Services	JMC004/07/15	Mkhize Attorneys	R1200.00 per hour	29/02/2016
Provision of Internal Audit Services	JMC006/10/14	PriceWaterHouseCoopers	R2,400 450.81	10/10/2014
Provision of Financial Support		Nkosingiphile Inkazimulo Trading	R3,256 221.00	05/01/2015
Provision of System Support	JMC01/03/15	Camelsa Consulting Group	R1,209 000.00	01/03/2017
Mscoa		Camelsa Consulting Group	R3,325 618.00	
Compilation of Grap Compliant Fixed Asset Register	JMC002/02/15	Ngubane & Company	R1,237 321.62	15/03/2016
Drafting and Consolidation of Circular 63 Compliant Annual Report for 2015/2016	RFQ007/11/16	HDPSA	R565,000.00	20/01/2017
Construction of Biva Community Hall	JMC001/06/16	Lwandiswa Investment	R4,388 538.53	17/10/2016
Construction of Ngonyameni Community Hall	JMC002/06/16	Mpandla Trading	R4,968 342.04	14/10/2016
Construction of Mfingosi Community Hall	JMC003/02/16	Yaa and Ato Trading Enterprise	R4,497 847.20	14/09/2016
Construction of Cezwana Youth Centre	JMC002/04/16	River Queen Trading	R4,298 863.73	21/11/2016
Upgrading of Roads in Mkuze CBD	JMC003/04/16	True Build Services	R6,552 024.60	21/11/2016
Supply and Delivery of Single Cab	JMC003/09/16	Provincial Motors	R421 432.00	21/12/2016
Supply and Installation of Concrete Palisade Fence at Mkuze Cemeteries	JMC001/09/16	Palisade Concrete Products	R486 267.00	21/12/2016
Supply and Delivery of 18 Single Axle Mobile Freezers	JMC004/01/17	Royal Plastic Chairs CC	R906 300.00	19/04/2017

and Generators				
Supply and Delivery of Sport Kits	JMC005/01/17	Kwandiswa Trading (Pty) Ltd	R1,724 395.00	19/04/2017
Supply and Delivery of Tents, Chairs, Tables, Hammers, Generators and Extension Cords	JMC003/01/17	Indophi Projects (Pty) Ltd	R3,559 425.00	19/04/2017
Construction of Ward 12 Creche	JMC004/02/17	Mdomo Construction	R220 483.12	19/04/17
Construction of Ward 19 Creche	JMC005/04/17	NTBM Trading	R232 960.50	19/04/17
Construction of Ward 4 Creche	JMC002/02/17	Chwane's General Trading	R247 399.65	19/04/17
Construction of Ward 20 Creche	JMC003/01/17	Gadidinile Trading & Projects	R245 634.50	19/04/17
Renovation and Renovation and Extension to the Existing Jozini Municipal Offices	JMC002/10/16	Sele and Musa Trading and Tours	R3,657 162.21	08/03/2017
Establishment and Formalisation of Cemeteries for Jozini Municipality	JMC001/10/16	E-plan Town and Regional Planners CC	R1,167 819.68	27/06/2017
Design and Installation of the Solar Powered LED Lights for Mkuze Street Lighting Projects	JMC004/11/16	Mandla Eco Business Solutions	R1,600 000.00	19/05/2017
Construction of Mthonjeni Sportsfield	JMC003/11/16	XB Construction	R3,432 403.45	01/03/2017
Review of Spatial Development Framework	JMC001/10/17	E-plan Town and regional Planners CC	R287 000.00	16/02/2017
Completion of Ingwavuma Electrification	JMC010/06/15	Sinotho Electrical	R2,469 943.69	29/03/2017
Completion of Gujini Community Hall	JMC023/01/15	SNX Trading	R762 751.20	29/03/2017
Completion of Upgrading of Roads in Mkuze CBD	JMC003/04/16	Somkhanda Plant Hire	R11, 773 808.51	19/06/2017
Supply and Delivery of Grader	JMC001/03/17 RT57 Contract	Bell Equipment	R3,625 200.00	
Supply and Delivery of Mayoral SUV (Prado)	RT57 Contract	Toyota SA	R807 063.00	
Supply and Delivery of Speaker's SUV (Fortuner)	RT57 Contract	Toyota SA	R496 566.90	
Supply and Delivery of Municipal Vehicles x 5	RT57 Contract	Toyota SA	R1,497 458.40	29/02/2016

ASSESSMENT OF THE PERFORMANCE OF EXTERNAL SERVICE PROVIDERS

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. The end user department is providing monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order.

Assessment Key	
Good (G)	The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract
Satisfactory (S)	The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract
Poor (P)	The service has been provided below acceptable standards

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
JMC001/07/15	RPS Ilangabi	29/02/2016	Panel of Consultants for the provision of Electrical Engineering Professional Services	7% of the total cost of the project			506 Connections	506 Connections	X		
JMC001/07/15	Izingodla Engineering	29/02/2016	Panel of consultants for the provision of Electrical Engineering Professional Services	14% of the total cost of the project			140 Connections	140 Connections	X		
JMC001/07/15	MMK	29/02/2016	Panel of consultants for the	14 % of the			Bhambanana	100%	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
	Engineers		provision of Professional Engineering Services for MIG projects	total cost of the project			Taxi Rank	Complete			
JMC001/07/15	Vumesa (Pty) Ltd	29/02/2016	Panel of consultants for the provision of Professional Engineering Services for MIG projects	11 % of the total cost of the project			Magwangu Community Hall	10% Complete (Designs completed Tender stage)		X	
JMC001/07/15	Dlamindlovu Engineering Consultants	29/02/2016	Panel of consultants for the provision of Professional Engineering Services for MIG projects	12 % of the total cost of the project			Implementation of Machibini community (Phase 1 completed busy with phase 2)	Phase 1 100% completed, phase 2 (Construction stage 10% complete)	X		
JMC004/07/15	Shakaman Consultants	29/02/2016	Panel of Forensic Investigators	R651.51 per hour			Forensic investigation for Joy project and Poverty alleviation project	20% complete (Still in progress)	x		
JMC004/07/15	Integrity Forensic Solutions	29/02/2016	Panel of Forensic Investigators	R915.17 per hour			Forensic investigation for S&T and hiring of taxi	10% complete (Still in progress)	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
JMC004/07/15	Weich and Kriel Inc	29/02/2016	Panel of Attorneys for Legal Services	R1368.00 per hour			Panel of attorneys	In progress	X		
JMC004/07/15	Mkhize Attorneys	29/02/2016	Panel of Attorneys for Legal Services	R1200.00 per hour			Investigation of Ghost employees on payroll system	100 % complete report submitted	X		
JMC006/10/14	PriceWaterHo useCoopers	10/10/2014	Provision of Internal Audit Services	R2,400 450.81			Provision of internal audit services for 3 years	In progress contract expiring at the end of November 2017 95%	X		
	Nkosingiphile Inkazimulo Trading	05/01/2015	Provision of Financial Support	R3,256 221.00			Provision of financial services for 18 months	Completed at the end of November 2016 100%	X		
JMC01/03/15	Camelsa Consulting Group	01/03/2017	Provision of System Support	R1,209 000.00			Contract for years 3 years	In progress, monthly monitoring and assistance as per SLA	X		
	Camelsa		Mscoa	R3,325 618.00			Contract for 1	In progress	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
	Consulting Group						year 2017-2018	100% availability of consultants onsite			
JMC002/02/15	Ngubane & Company	15/03/2016	Compilation of Grap Compliant Fixed Asset Register	R1,237 321.62			Contract for 2 years expiring in 2017	100% completed fixed asset register provided for 2 financial years	X		
RFQ007/11/16	HDPSA	20/01/2017	Drafting and Consolidation of Circular 63 Compliant Annual Report for 2015/2016	R565,000.00			Consolidation and drafting of circular 63 annual report for 2015/2016	100% completed	X		
JMC001/06/16	Lwandiswa Investment	17/10/2016	Construction of Biva Community Hall	R4,388 538.53			Construction of Biva Community Hall	95% complete		X	
JMC002/06/16	Mpandla Trading	14/10/2016	Construction of Ngonyameni Community Hall	R4,968 342.04			Construction	50% complete			X
JMC003/02/16	Yaa and Ato Trading	14/09/2016	Construction of Mfingosi Community Hall	R4,497 847.20			Construction	100% complete	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
	Enterprise										
JMC002/04/16	River Queen Trading	21/11/2016	Construction of Cezwana Youth Centre	R4,298 863.73			Construction	50% complete			X
JMC003/04/16	True Build Services	21/11/2016	Upgrading of Roads in Mkuze CBD	R6,552 024.60			Construction	5% (Terminated for poor performance)			X
JMC003/09/16	Provincial Motors	21/12/2016	Supply and Delivery of Single Cab	R421 432.00			Delivery	100% completed vehicle delivered	X		
JMC001/09/16	Palisade Concrete Products	21/12/2016	Supply and Installation of Concrete Palisade Fence at Mkuze Cemeteries	R486 267.00			Fencing	100% completed	X		
JMC004/01/17	Royal Plastic Chairs CC	19/04/2017	Supply and Delivery of 18 Single Axle Mobile Freezers and Generators	R906 300.00			Delivery	100% completed	X		
JMC005/01/17	Kwandiswa Trading (Pty) Ltd	19/04/2017	Supply and Delivery of Sport Kits	R1,724 395.00			Delivery	100 % completed	X		
JMC003/01/17	Indophi Projects (Pty) Ltd	19/04/2017	Supply and Delivery of Tents, Chairs, Tables, Hammers, Generators and Extension	R3,559 425.00			Delivery	100% completed	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
			Cords								
JMC004/02/17	Mdomo Construction	19/04/17	Construction of Ward 12 Creche	R220 483.12			1 creche	95%	X		
JMC005/04/17	NTBM Trading	19/04/17	Construction of Ward 19 Creche	R232 960.50			1 creche	95% complete	X		
JMC002/02/17	Chwane's General Trading	19/04/17	Construction of Ward 4 Creche	R247 399.65			1 creche	95% complete	X		
JMC003/01/17	Gadidinile Trading & Projects	19/04/17	Construction of Ward 20 Creche	R245 634.50			1 creche	95% complete	X		
JMC002/10/16	Sele and Musa Trading and Tours	08/03/2017	Renovation and Renovation and Extension to the Existing Jozini Municipal Offices	R3,657 162.21			Office upgrade	40% complete			X
JMC001/10/16	E-plan Town and Regional Planners CC	27/06/2017	Establishment and Formalisation of Cemeteries for Jozini Municipality	R1,167 819.68				10% complete		X	
JMC004/11/16	Mandla Eco Business Solutions	19/05/2017	Design and Installation of the Solar Powered LED Lights for Mkuze Street Lighting Projects	R1,600 000.00			LED lights installation	100% complete	X		
JMC003/11/16	XB Construction	01/03/2017	Construction of Mthonjeni Sportsfield	R3,432 403.45			Construction	Construction			

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
JMC001/10/17	E-plan Town and regional Planners CC	16/02/2017	Review of Spatial Development Framework	R287 000.00			1 reviewed SDF	95% complete	X		
JMC010/06/15	Sinotho Electrical	29/03/2017	Completion of Ingwavuma Electrification	R2,469 943.69			470 Connections	366 connections completed (78%)	X		
JMC023/01/15	SNX Trading	29/03/2017	Completion of Gujini Community Hall	R762 751.20			Construction	100% complete	X		
JMC003/04/16	Somkhanda Plant Hire	19/06/2017	Completion of Upgrading of Roads in Mkuze CBD	R11, 773 808.51			Construction	85% complete	X		
JMC001/03/17	Bell Equipment		Supply and Delivery of Grader	R3,625 200.00			1 grader	100% complete	X		
RT57 Contract	Toyota SA		Supply and Delivery of Mayoral SUV (Prado)	R807 063.00			1 vehicle	100% Complete	X		
RT57 Contract	Toyota SA		Supply and Delivery of Speaker's SUV (Fortuner)	R496 566.90			1 vehicle	100% Complete	X		
RT57 Contract	Toyota SA		Supply and Delivery of Municipal Vehicles x 5	R1,497 458.40			5 vehicles	100% Complete	X		

2.12 COMMENTS ON BY_LAWS

Nature of the public participation

All necessary advertising and notices required in terms of the Spatial Planning and Land Use Management Act No. 16 of 2013 were conducted, with the closing date for comments/objections being 16 November 2015, furthermore the draft by-laws were placed in municipal facilities like the library and municipal offices.

There were no objections or comments received against the draft by-law during the period of 30 days of public participation process.

This was later followed by a further resolution to adopt the by-law after the public participation process, which then required the gazetting of the full set of by laws in the Kwazulu-Natal Provincial Gazette. After the adoption of the by-law by the Council, the municipality forwarded the adopted by-law attached with the Council resolution to the Department of Corporate Government and Traditional Affairs for gazetting and was gazette on the 16 March 2017 in the KZN Provincial Gazette.

How the new by-laws will be enforced

The By-law is subject to section 2(2) of the Spatial Planning and Land Use Management Act that provides that, except as provided in the Spatial Planning and Land Use Management Act, no legislation may prescribe an alternative or parallel mechanism, measure, institution or system on spatial planning, land use, land use management and land development in a manner inconsistent with it.

To provide for the establishment of the Municipal Planning Approval Authority, Municipal Planning Appeal Authority and the Municipal Planning Enforcement Authority that will deal with the Land Use and Land Development within the municipal area of jurisdiction.

The by law also make provision for the adoption and amendment of the Municipality's land use scheme which are regarded as planning tools that guide and addresses the planning issues in the municipality.

2.13. WEBSITES

The Municipal Website generally complies with the provisions of the MFMA S75.

An IT and Security policy was reviewed in the year under review and enshrines the following regarding the functioning of the website:

“The IT Officer shall be responsible for the maintenance of Jozini Municipality’s website, with the assistance of the service provider, Kalmia.

Each Head of Department shall ensure that all information required by the Municipal Finance Management Act, as well as any other relevant legislation and Council Policies, is promptly and appropriately submitted to the IT Officer for display on the official website.

The IT Officer shall (in consultation with the relevant Heads of Department) further decide on any other information to be made available on the website.

Only the IT Officer shall be authorised or to provide authorisation to the service provider, Kalmia, to amend, add and delete information on the official Jozini Municipality website.”

The Jozini website contains the following information in terms of the mfma:

Information	Contained (Yes/No)
Annual budget	Yes
Adjustment budget	Yes
Budget policies and related	Yes
Annual report	Yes
Performance Contracts (s57 employees)	No
Service delivery agreements	No
All long term borrowing	The municipality does not have long term borrowings
Supply chain Management Contracts above R200k	Yes
All asserts disposed per quarter above a set value	No
Public Private partnerships	No
Quarterly reports tabled to council	Yes

Over and above the minimum set in the act the website contains information of advertisement of vacancies and public notices.

2.13. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

COMPOSITION

NAME	PORTFOLIO	POLITICAL PARTY
Cllr. N.P.N. Ngubane	Chairperson	DA
Cllr. S.S. Mkhize	Ordinary member	ANC
Cllr. N.F. Mthethwa	Ordinary member	ANC
Cllr. T.R. Fakude	Ordinary member	IFP
Cllr. M.Z. Nxumalo	Ordinary member	IFP
Cllr. S.P. Myeni	Ordinary member	ANC

FUNCTIONALITY

The MPAC as a Section 79 committee reports to council with all recommendations on matters that came before the MPAC.

MPAC members were trained in the following:

- Municipal Budgeting
- Functionality of MPAC
- Powers and Functions of MPAC

CHAPTER 3: SERVICE DELIVERY OVERVIEW

A. BASIC SERVICES

Basic services are a package of services which in their nature any disruption in their provision would compromise human life. These services are necessary for human well-being and thus respond to the requirements of the bill of rights as enshrined in the Constitution of the Republic of South Africa. These services include water, sanitation (**district functions**), and electricity and refuse removal. This report will also outline the strides achieved in the delivery of human settlement (housing), bearing in mind that it is vastly the competence of the Provincial Department of Human Settlements.

The success of local economic development is tied to the provision of basic and other types of infrastructure to the people.

Jozini municipality has committed her to fast-tracking access and the provision to the delivery of basic services which are more critical and will have more impact in the lives of the citizens of Jozini at large. Various projects were implemented during the period under review: namely construction of community facilities such as halls, sport facilities, electrification of households and construction of access roads.

3.1. WATER PROVISION

There is stiff competition amongst different water users. While water remains a stumbling block for economic development through agricultural activities, water for domestic purpose i.e. portable water, becomes crucial, hence a priority.

Based on the municipal public participation meetings; water remains the main priority at Jozini Municipality. In terms of the UMkhanyakude District Municipality's Water Service Development Plan (WSDP 2016); Jozini comprises of 17 water schemes. But most of these schemes are not properly maintained therefore dysfunctional. In areas not covered by the scheme or/and in cases whereby the schemes are dysfunctional, there are boreholes.

WATER DEMAND MODEL

In order to have the flexibility to determine water demands for different spatial groupings, such as scheme or supply footprints, a zero-base demand model based on Census demographics (with an applied growth rate to get current figures) and levels of service (at smallest grouping) was adopted for the demand modelling. Although the demand model is based on the official Census data and agreed unit demands it is not a stochastic model, involving random demographic and unit demand sampling and probability behavior. It also does not allow for level of confidence or degree of accuracy calculations of the Census data, growth rates, nor of the unit demand values adopted. The low and high results represent the extremes of what the predicted water demands could be. These are calculated in the model by using the extremes of the range of each data item in determining the results. No statistical probability or reliability measure can be attributed to these figures, except to say that all actual results should fall somewhere within this predicted range.

Water Demand Summaries

Row Labels	Sum of Cur AADD (Rest LOS) Ave	Sum of Future AADD LOS 2020 Ave	Sum of Future AADD LOS 2025 Ave	Sum of Future LOS AADD 2030 Ave	Sum of Future AADD LOS 2040 Ave	Sum of Future AADD LOS 2035 Ave	Sum of Future HHI 2045 Ave
JOZINI	8 702	15 932	16 989	19 105	28 135	24 523	35 360

Row Labels	Sum of CurLOSSPD Average	Sum of Future SPF LOS 2020 Ave	Sum of Future SPF LOS 2025 Ave	Sum of 2030LOS SPDAve	Sum of Future SPF LOS 2035 Ave	Sum of Future SPF LOS 2040 Ave	Sum of 2045HHI SPD Av
JOZINI	11 883	20 847	22 476	25 733	34 008	42 283	50 55

Source: Draft DC27 WSDP 2016

Deciding what footprint base to use to determine the demand; discuss or review the existing infrastructure or scheme capacities was found to be quite a challenge. Anomalies were found between the DWS Water Reconciliation Strategy footprints and the current distribution infrastructure. In addition, the level of detail in various infrastructure reports/GIS obtained from previous PSPs differed and subsequently was difficult to compare with one another.

The solution was to develop “Water Master Plan supply areas”, which are comprised of a larger supply area that simulate the seven (7) regional schemes aspired to by UKDM, bounded in instances by rivers, distance from source, topography; with smaller sub-schemes within those regional boundaries that are aligned with the existing infrastructure supply footprints and operational small schemes areas.

The six (6) water master plan supply areas are areas are Shemula, Jozini, Hluhluwe, Mpukonyoni, Mtubatuba, and Hlabisa. Water demands have been determined on sub-scheme level and the infrastructure evaluated at the same or sub-zone level. Sub-zones were defined for the specific purpose of reviewing bulk distribution main capacities, where the existing diameters were known and could be assessed.

The Shemula WMP Supply Area is divided into Shemula Eastern Sub-Supply Area and Shemula West and Central Sub-Supply Area.

Shemula Eastern Sub-Supply Area is divided into four (4) Sub-Schemes:

- Mshudu
- Thengani (Kwangwanase)
- Manguzi
- Enkanyezini

The Combined demographics and water demand for Mshudu, Thengane, Manguzi and Enkanyezini are:

- Total backlog of 9076 stands (ito Census 2011) that need to receive access to RDP supply
- Household growth of the combined eastern Shemula sub-schemes is from 11015 to 15069 households and a movement/migration of LOS as indicated achieving 25,8% YC supply by 2030

- The capacity of the treatment works of 6,8Mℓ/day is sufficient for the current demand of 3,5Mℓ/day for 2015, or 4,52Mℓ/day with 50% losses
- The 20 year (2035) GSPD (Gross Summer Peak Demand) is 11 Mℓ/day.

The infrastructure capacity and upgrade requirements can be summarized as follows:

- The current WTW capacity is 6.8Mℓ/day. This is sufficient for the current demand of 3.5Mℓ/day. The demand will surpass the capacity by 2025 and will increase to 11Mℓ/day by 2035.
- The demand shortage can be addressed by utilizing the Shemula Western and Central Water Sub-Supply Area source.
- The demand from Shemula Western and Central Sub-Supply Area water source can be either 4Mℓ/day where the current Shemula Eastern region water sources are retained or 11Mℓ/day where the Shemula Eastern region water sources are discontinued.
- This will require an assessment of the bulk distribution from the Shemula Western and Central Sub-Supply Area.

The Shemula West and Central Sub-Supply Area is divided into six (6) Sub-Schemes:

- Manyiseni
- Ingwavuma
- Ndumo
- Embonisweni
- Phelandaba North
- Phelandaba South

The combined demographics and water demand for Manyiseni, Ndumo, Ingwavuma, Embonisweni, Phelandaba North and South are:

- Total of 14325 stands (ito Census 2111) that need to receive access to RDP supply
- Household growth of the sub-schemes combined is from 27057 to 31882 households and a movement/migration of LOS as indicated achieving 42% YC supply by 2030.
- The 20 year (2035) GSPD (Gross Summer Peak Demand) is 29 Mℓ/day.

The infrastructure capacity and upgrade requirements for Western and Central Shemula (Ingwavuma to Phelandaba) is summarized as follows:

- The current demand for the supply area is 11Mℓ/day
- The water treatment works has currently been upgraded and has a combined capacity to produce 27.5Mℓ/day and will therefore address the current demand shortfall.
- There is a shortfall of 1Mℓ/day for the projected 2035 demand
- The water treatment works will also supply the demand from Shemula Eastern Region. This will increase the demand of 28Mℓ/day to 32.7Mℓ/day if the Eastern Region current supply sources are retained or 39.5Mℓ if the sources are discontinued.

The Jozini WMP Supply Area is divided into Jozini Eastern Sub-Supply Area and Jozini West and Central Sub-Supply Area.

Jozini Eastern Sub-Supply Area is divided into seven (7) Sub-Schemes:

- Tshongwe Malobeni
- Othobothini
- Nondabuya
- Mjindi
- Jozini
- Mkuze
- Mhlekezi

The combined demographics and water demand for Jozini, Malobeni, Mjindi, Nondabuya, Mkuze and Othobothini are:

- Total of 12 611 stands (ito Census 2011) that need to receive access to RDP supply
- Household growth of the sub-schemes combined is from 28 167 to 32 173 households and a movement/migration of LOS as indicated achieving 48% YC supply by 2030.
- The 20 year (2035) GSPD (Gross Summer Peak Demand) is 27 Ml/day.

WATER SCHEME NAME	CHALLENGES
Mkuze plant	Inadequate capacity to supply the population
Mkuze River Plant	Water source (Mkuze River) dries out
Jozini Old	Inadequate capacity and illegal connections
Jozini New	Inadequate capacity to supply the population
Makhonyeni Plant	Inadequate capacity to supply the population
Block Six	Water source depends on permission from commercial farmers.
Mjindi Central	Inadequate capacity to supply the population
Emachobeni	Inadequate capacity to supply the population
Shemula water scheme	Inadequate capacity to supply the population
Nondabya water scheme	Illegal connections and inadequate capacity to supply population

WATER PROJECTS FOR JOZINI:

- Upgrading the Shemula Water Treatment plant to benefit 62 700 households in Jozini and uMhlabuyalingana
- Implementing the Jozini Bulk Regional Scheme (40 Ml/day) to benefit 50 200 households in Jozini, uMhlabuyalingana and Big Five
- Implementing KwaJobe Community Water Scheme to benefit 3062 households
- Upgrading of Mkuze Treatment Works to 5Ml/day to benefit 1362 households.
- Refurbishment of Machibini water scheme
- 5 Water Tankers were provided to Jozini local municipality
- 5 boreholes were equipped under drought relief at Kwa Dinabanye Kumkhamu, Nhlabende, Kings Palace, Madinyana and Khume
- 17 boreholes drilled at Mambuzikazi, Lindizwe Okholweni (Sandile), Ezimambeni Ward 15, Ezimambeni Ward 15 ,Pangani Khume, Khume Sola, Manganini A, Manganini C , Manganini B, Kwagiba, Mangayini D, Mambuzikazi, Lindizwe Okholweni,



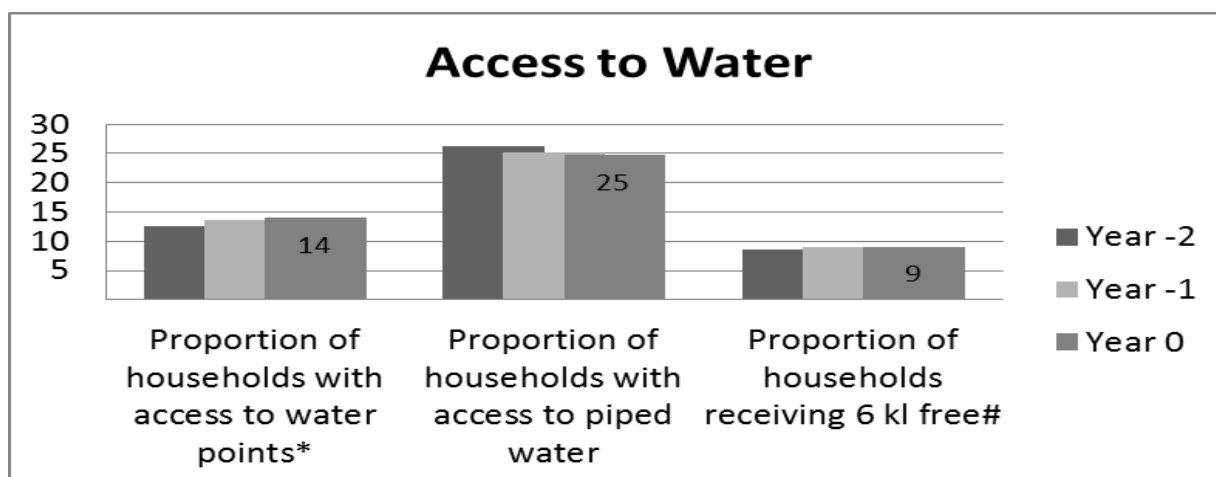
Borehole Ward 16

Total Use of Water by Sector (cubic meters)					
0000					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2014/15	130	0	2808	1968	201
2015/16	139		3000	1998	199
2016/17					

Water Service Delivery Levels				
				Households
Description	Year -3	Year -2	Year -1	Year 0 16/17
	Actual	Actual	Actual	
	No.	No.	No.	
<i>Water:</i> (above min level)				
Piped water inside dwelling	8530	9030	9030	
Piped water inside yard (but not in dwelling)	4015	4515	5015	
Using public tap (within 200m from dwelling)	8530	9030	10530	
Other water supply (within 200m)	17773	16273	14273	
Minimum Service Level and Above sub-total	38848	38848	38848	
Minimum Service Level and Above Percentage	100%	100%	100%	
<i>Water:</i> (below min level)				

Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)	–	–	–	
No water supply				
<i>Below Minimum Service Level sub-total</i>	–	–	–	
<i>Below Minimum Service Level Percentage</i>	0%	0%	0%	
Total number of households*	38848	38848	38848	44 584

Households - Water Service Delivery Levels below the minimum				
	Households			
Description	Year -3	Year -2	Year -1	Year 0 16/17
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Formal Settlements				
Total households	38849	38849	38849	44 584
Households below minimum service level	21576	22576	23576	
Proportion of households below minimum service level	56%	58%	61%	



3.2. WASTE WATER (SANITATION PROVISION)

Sanitation varies from water-borne to Ventilated Improved Pit Latrines (VIPs) sanitation. The difference between the two sanitation provision methods must however be kept in mind. Water borne sanitation is provided through the connection to a sewer network, while VIPs are the localized provision of sanitation structures.

SANITATION PROJECTS:

- 6254 households have benefitted under the Ingwavuma Sanitation Project (Wards 9,10,11,12,13,14,15,17,18,19)
- 2009 households have benefitted under the Jozini Rural Household Project (Wards 3,4, 20)

Sanitation Service Delivery Levels			
*Households			
Description	2014/15	2015/16	2016/17
	Outcome	Outcome	Actual
	No.	No.	
<i>Sanitation/sewerage:</i> (above minimum level)			
Flush toilet (connected to sewerage)	4116	4322	
Flush toilet (with septic tank)	1088	1142	
Chemical toilet	8232	8464	
Pit toilet (ventilated)	7266	7339	
Other toilet provisions (above min.service level)	11380	11548	
None	7000	6500	
Minimum Service Level and Above sub-total	39082	39315	44 584
Minimum Service Level and Above Percentage	100.0%	100.0%	100.0%

Households - Sanitation Service Delivery Levels below the minimum			
Households			
Description	2014/15	2015/16	2016/17
	Actual	Actual	Actual
	No.	No.	No.
Formal Settlements			
Total households	38849	38849	44 584
Households below minimum service level	27782	27782	
Proportion of households below minimum service level	72%	72%	

3.3. ELECTRICITY

Jozini municipality provides household electrification to rural areas. The Municipality prioritizes and is fast tracking implementation of Electrification projects within its jurisdiction areas notwithstanding that the major challenge has been the capacity of substations to provide electricity supply for the municipal households. Currently the backlog in terms of electricity supply is estimated at 73.7%.

Despite the strides made on provision of basic services, one issue that remains a challenge is the provision of electricity to households. The backlog is still huge due to limited of infrastructure capacity around Jozini. Eskom has planned to address this backlog; they have many projects that will be implemented in the next financial years. Jozini is the first municipality to have so many projects.

The following electricity projects were planned for 2016-17

Ward	Number of household connected
Ingwavuma	
Mangqwashu	
Ward 15	240
ward 18	240

Electricity Service Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1
Service Indicators		Target	Actual	Target	Actual	
Provision of minimum supply of electricity	Improve Access to Electricity with 1003 new HH's	1003	251			
	680 Household connections			680	680	
	To provide 500 house to house connections (KwaJobe, Ward 18, Mandalaza, Ward 14, Majozini/ Manqonjwana)					500

Financial Performance Year 0: Technical Services

R'000						
Details	Year -2	Year -1	Year 0: 2016-17			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R37 026.01	R60 778				
Expenditure:						
Employees	4 295	2 804				
Repairs and Maintenance	-	1 969				
Other	2 495	724				
Total Operational Expenditure	6 790	5 497				
Net Operational Expenditure	-30236	-55281				
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						

Capital Expenditure Year 2016/17: Technical Services

R' 000					
Capital Projects	Year 2016/17				
	Budget	Adjustment	Actual Expenditure	Variance % from original budget	Variance % from final budget
		Budget			
Ngonyameni community hall	5999603.40				
Mfingosi community hall	6000000				
Biva community hall	6000000				
Cezwane youth centre	5999999.78				
Upgrade of Mkuze roads	8000000	3900000.00			
Upgrade of Jozini municipal offices	15645063.50				
Mthonjeni sport field	3999908.88	2000000.00			
Mangqwashu electrification	6000000	6956 330.49	6405300.00		
Nkungwini and Manyiseni electrification	12000000	12000000	11530000.00		
Ingwavuma phase 2 electrification	2469943.69	2469943.69	1280642.68		
Mangqwashu electrification	6000000	6956 330.49	6405300.00		
TOTAL					

ELECTRICITY SERVICES PERFORMANCE OVERALL

The municipality had targeted electrification of 680 households in the year under review. The project has been implemented and overlaps to the next financial year. The only thing that is now remaining is for Eskom to do the energizing process.



Installation of Electricity Infrastructure.

3.4. WASTE MANAGEMENT

Jozini Municipality has six towns (Jozini, Mkuze, Ubombo, Ingwavuma, Ndumo and Bhambanana) that are currently receiving waste services from the municipality which are in line with the Integrated Waste Management Plan. These services are waste collection, street sweeping and grass cutting. Waste management services are generally close to the heart of residents as they easily are displayed by unattended waste when they are not performed optimally. As such, the Council has intensified the number of personnel dealing with street sweeping, grass cutting and waste collection. This has bear fruits and created 350 job opportunities through EPWP programme with a budget of R10 459 799.40.

Mkuze

The municipality is collecting waste at Mkuze Town (streets and other business storage cages) daily with the municipal truck, one day a week at suburbs and two days in a week for townships and Hotels to Mkuze Dumpsite.

UBombo

The municipality is collecting waste twice in a week at Ubombo with a municipal truck to Mkuze Dumpsite.

Jozini

The municipality is collecting waste at Jozini Town (streets and other business storage cages) daily with the municipal truck, one day a week at suburbs and two days in a week for township and Hotels to Mkhuze Dumpsite

Bhambanana

The municipality is collecting waste twice in a week at Bhambanana with a municipal truck to Mkhuze Dumpsite.

Ndumo

The municipality is collecting waste twice in a week at Ndumo with a municipal truck to Mkhuze Dumpsite.

Ingwavuma

The municipality is collecting waste at Ingwavuma Town (streets and business storage cages) daily starting from Monday to Saturday with the municipal tractor, one day a week at suburbs and two days in a week for townships and Hotels to Ingwavuma Dumpsite.

Recycling Centre

Jozini Municipality has a recycling centre which has much equipment to function. It was established to minimize waste to dumpsite because most of it are recyclables. and all towns and residential are producing 85% recyclable material. Currently the recycling centre has been outsourced to New South Africa Recycling however it is not function up to the required potential. There are certain individuals that are recycling waste on their own. They also collect waste in towns. There is a Thembaletu Co-operative based at Mkhuze dump site, they pick up all recyclable that are offloaded by municipal trucks. Their recyclables are collected twice a week by their buyers such as Impact recycling Company.

MAJOR CHALLENGES IN WASTE MANAGEMENT AND REMEDIAL ACTIONS

- ✚ The municipality does not have a legal landfill site.
- ✚ The Integrated Waste Management Plan (IWMP) is not approved.
- ✚ Limited budget for waste management:
 - clients are not provided with refuse bags.
 - no skips bins in residential areas.

LANDFILL SITES

Currently the municipality has one illegal dumpsite at Mkuze, which has TLB on site to flatten the waste and cover it with top soil to prevent waste from being blown away by wind to the road.

The municipality has acquired land (from Mngomezulu Traditional Council) at Intabayengwe, this land will be utilized as a waste disposal facility for refuse collected from Ingwavuma, Bhambanana and Ndumo.

The municipality has also acquired land ownership from Pongola municipality to utilize the Mkhuze landfill site. The process of legalizing this landfill site will commence in 2017/18 with the assistance of Department of Environmental Affairs.

Solid Waste Service Delivery Levels			
	Households		
Description	Year -2: 14/15	Year -1: 15/16	Year 0: 16/17
		Actual	Actual
		No.	No.
<i>Solid Waste Removal:</i> (Minimum level)			
Removed at least once a week	12	12	
Minimum Service Level and Above sub-total	12	12	
Minimum Service Level and Above percentage	16.8%	16.8%	
<i>Solid Waste Removal:</i> (Below minimum level)			
Removed less frequently than once a week	–	–	
Using communal refuse dump	58	58	
Using own refuse dump	0	0	
Other rubbish disposal	–	–	
No rubbish disposal	–	–	
Below Minimum Service Level sub-total	58	58	
Below Minimum Service Level percentage	83.2%	83.2%	
Total number of households	70	70	

Waste Management Service Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year -1		Year 2016/17		Year 1
Service Indicators		Target	Actual	Target	Actual	Target
Service Objective						
Provision of weekly collection service per household (HH)	Proportionate reduction in average weekly collection failures year on year (average number of collection failures each week)	7% reduction from year -1 (xxx weekly collection failures)	7% reduction from year -1 (xxx weekly collection failures)	To collect at least twice a week in semi-formal houses such as low-income houses.	Waste is collected twice a week at Mlingo, Thembaletu in Mkhuze. Waste is collected once a week at Maphaya Location in Jozini and once a week at RDP houses in Ngwavuma	7% reduction from year-1(xxx weekly collection failures)
Future capacity of existing and earmarked (approved use and in council possession) waste disposal sites	Jozini LM doesn't have approved landfill site, we are currently using existing illegal dumpsite. The dumpsite capacity is still enough even for future development.	The dumpsite capacity available	The dumpsite capacity available	To licence Mkhuze Waste Disposal for operation	Department of Environmental Affairs in the process of legalising Mkhuze Waste Disposal Facility in the year 17/18.	To licence Mkhuze Waste Disposal Facility for operation
Proportion of waste that is recycled	The waste is not recycled	0% of year 0 waste recycled	0% of year 0 waste recycled	To recycle 90% of waste generated within Jozini Municipality	521.865 tons of recyclables are taken by Impact Recycling	To recycle 90% of waste generated within Jozini

Waste Management Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year -1		Year 2016/17		Year 1
Service Indicators		Target	Actual	Target	Actual	Target
Service Objective						
					Company	Municipality.
<i>Proportion of landfill sites in compliance with the Environmental Conservation Act 1989.</i>	x% of landfill sites by volume that are being managed in compliance with the Environmental Conservation Act 1989.	0% of sites compliant	0% of sites compliant	To licence Mkhuze Waste Disposal for operation	Department of Environmental Affairs in the process of legalizing Mkhuze Waste Disposal Facility in the year 17/18.	To licence Mkhuze Waste Disposal for operation
Number of cleaning and waste disposal programmes carried out by June 2016.	The target is intended to ensure general cleanliness and appropriate disposal of waste	Implement cleaning programmes (street cleaning and waste collection), report on waste disposal,	Implement cleaning programmes (street cleaning and waste collection), report on waste disposal,	4 programmes (waste collection, waste disposal, waste recycling, cleaning campaigns)	Cleaning Awareness Campaigns: was Conducted at Mkhuze Waste Disposal Facility (23/09/16), Mlingo Village (18/01/17), Jozini Bottom Town (24/02/17), Ndumo Town (02/06/17)	5 Cleaning awareness campaigns
Draft Reviewed Solid Waste	The target is intended to ensure compliance with national legislation	Draft Waste Management Plan	Draft Waste Management Plan	To finalize the Portal Integrated Waste Management Plan	There is a draft of Portal Integrated Waste Management	Implementation of the IWMP

Waste Management Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year -1		Year 2016/17		Year 1
Service Indicators		Target	Actual	Target	Actual	Target
Service Objective						
By- Law					Plan	
Number of massive community awareness campaigns conducted on solid waste and environment management	The target is intended to effect behavioural change among community members	Five 4 massive Education and awareness campaigns conducted on solid waste and environmental programmes	Five 2 massive Education and awareness campaigns conducted on solid waste and environmental programmes	4 programmes (waste collection, waste disposal, waste recycling, cleaning campaigns)	Cleaning Awareness Campaigns: was Conducted at Mkhuze Waste Disposal Facility (23/09/16), Mlingo Village (18/01/17), Jozini Bottom Town (24/02/17), Ndumo Town (02/06/17)	
Three Licenses for Closure and Rehabilitation of illegal landfill sites obtained.	The target is intended to comply with the provision of the National Waste Act and rectify the Audit finding	Attain closure and rehabilitation licences for 2 illegal landfill sites: Ingwavuma, Sibandlana and develop Mkhuze dumpsite	Attain closure and rehabilitation licences for 2 illegal landfill sites: Ingwavuma, Sibandlana	1 waste disposal sites at Ntabanyengwe to service Ndumo, Ngwavuma and Bhambanana	The process of securing land took longer than anticipated and thus could not proceed with the actual establishment phase.	Establishment of 1 waste disposal site

Waste Management Service Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year -1		Year 2016/17		Year 1
Service Indicators		Target	Actual	Target	Actual	Target
Service Objective						
Alternative sites for waste transfer stations acquired	The target is intended to ensure waste transit option is done in an appropriate manner that is not harmful to human being and the environment	Licencing and Development of Mkhuze Landfill site.	The existing Mkhuze dumpsite sits on Uphongolo boundaries. We are still negotiating with Uphongolo Municipality to transfer the land.	1 license for Mkhuze dumping site	The land for the disposal site has been secured from Pongola Municipality. Application has submitted to DEA for assistance in the next stages	Legalise the Mkhuze landfill site

Employees: Solid Waste Management Services

Job Level	Year -2	Year -1	2016/17			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	%
0 - 3	472	445	350	328	22	6.7%
4 - 6	10	10	16	10	06	
7 - 9	02	02	08	02	06	
10 - 12	0	0	01	0	0	
13 - 15	0	01	02	01	1	
16 - 18	0	0	0	0	0	0
19 - 20	0	0	0	0	0	0
Total	478	458				

Financial Performance Year 2016-17: Solid Waste Management Services

Details	Year -2	Year -1	Year 2016/17			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10572400	5674114	7412000	5958000	7593154	-181154
Expenditure:						
Employees	6082799	1699688	4792154	4231960	1936491	2855663
Repairs and Maintenance	3700250	476728	none	none	none	none
Other	600000	1139066	2619767	1726040	2017326	602441
Total Operational Expenditure	10383049	3315482	7412000	5898000	953824	6458176
Net Operational Expenditure	-189351	-2358632			369330	369330

3.5. HOUSING

The Jozini LM plays a role in housing delivery at the local level, since housing delivery is identified as being one of the municipalities mandate. The core role of local municipalities as outlined in the Constitution, 1996 is to take all reasonable and necessary steps, within the framework of national and provincial legislation and policy, to ensure that the inhabitants within its area of jurisdiction have access to adequate housing.

Jozini municipality is the vast rural area and the tool used for the housing delivery is the Rural Housing Subsidy which is only applicable to Ingonyama Trust Board Land. We have signed the development rights with Rural Development Department. The purpose of this is to fast track the housing development on the state land as known that most land is on the state land.

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year -1	38 849	24 914	64.1%
Year 0	44 584	28 891	64.8%

PROJECT NAME	PROJECT TYPE	NO. OF UNITS	PROJECT MILESTONE
Ndumo	Rural	1000	Planning
Jozini Ward 5	Rural	1000	Planning
KwaJobe Phase 2	Rural	800	Construction
KwaNsinde	Rural	600	Construction Almost Completed (Ministerial Project)
KwaNgwenya	Rural	600	Construction Almost Completed (Ministerial Project)
KwaMngomezulu	Rural	800	Construction Almost Completed (Ministerial Project)
KwaMathenjwa	Rural	1000	Construction Almost Completed (Ministerial Project)
Siqakatha	Rural	1000	Feasibility
Mhlekezi & Mkuze	Rural	800	Feasibility
Zineshe & Gujini	Rural	800	Feasibility
Hlalanathi & Mamfene	Rural	800	Feasibility
Maphaya & Madinyane	Rural	800	Feasibility
Msiyane & Nondabuya	Rural	800	Feasibility
Ophondweni & Emziyeni	Rural	800	Feasibility
Nyamane & Machobeni	Rural	800	Feasibility
Shemula & Makhanisi	Rural	800	Feasibility
Mbadleni & Ndumu	Rural	800	Feasibility

Housing Service Policy Objectives Taken From IDP						
Service Objectives	Outline	Year -1: 2015/16		Year 0: 16/17		Year 1
Service Indicators	Service Targets	Target	Actual	Target	Actual	Target
<i>Provision for housing for all households</i>						
Improve access to adequate Housing	To construct 1800 new housing units	1800	600	-	-	-
To provide access to human settlement for the benefit of community	3 (Ndumo CRU's, KwaJobe Rural Housing, Ward 5 housing)			3 (Ndumo CRU's, KwaJobe Rural Housing, Ward 5 housing	Site inspections done for all projects under construction (Ndumo Cru and KwaJobe Housing Phase 2. Ward 05 housing waiting for renewal of contract for service provider from Department of Human settlements	-
To promote the achievement of a non-racial, integrated society, through the development of sustainable human settlements and quality housing	To promote the achievement of a non-racial, integrated society, through the development of sustainable human settlements and quality housing	-	-	-	-	To review the Housing sector plan by June 2018.
						To coordinate planning of housing projects in 20 wards by June 2018
						To coordinate implementation of housing projects i.e. Jozini ward 5, Ndumo ward 16, Kwajobe phase 2 ward 3 and 4, by 30 June 2018.

						To co-ordinate construction of Operation Sukuma Sakhe houses in all wards by June 2018
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Employees: Housing Services						
Job Level	2014/15	2015/16	2016/17			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0	0%
4 - 6	0	0	1	0	1	100%
7 - 9	0	0	0	0	0	0%
10 - 12	1	0	1	1	0	0%
13 - 15	0	1	1	1	0	0%
16 - 18	0	0	0	0	0	0%
19 - 20	0	0	0	0	0	0%
Total	1	1	3	2	1	33%

Financial Performance 2016/17: Housing Services					
R'000					
Details	2015/16	2016/17			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	23 220				
Expenditure:	23 220				
Employees	177				
Repairs and Maintenance	0				
Other	0				
Total Operational Expenditure	231				
Net Operational Expenditure	0				

3.6. FREE BASIC SERVICES AND INDIGENT SUPPORT

The indigent policy: The Municipality has an indigent policy in place and will review the Indigent register which will inform the provision of free basic services.

Financial Performance Year 0: Cost to Municipality of Free Basic Services Delivered						
Services Delivered	Year -2: 2014/15	Year -1: 2015/16	Year 0: 2016/17			
	Actual	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	0	0				
Waste Water (Sanitation)	0	0				
Electricity	128 769.00	161 440.32				
Waste Management (Solid Waste)	0	0				
Total	128769	161440				

ROAD TRANSPORT

The municipality has a short supply of good all weather roads. This restricts the provision of some services such as waste removal. In addition, the poor road infrastructure i.e. access roads limit economic opportunities. Access roads are not in a good condition, which results in mobility generally being impaired to a greater extent. The municipality solely relies on the Department of transport and Municipal Infrastructure grant transfers to fund all infrastructure related projects as there is insufficiency of funds from own revenue for this purpose.

ROADS

The core function of technical department includes:

- Construction of access roads and bridges
- Maintenance of gravel roads
- Road marking and potholes patching
- Grass cutting and cleaning of verges
- Cleaning of stormwater drainage



Access Road Upgrading

During 2016/17 Jozini municipality purchased a grader to deal with the backlog reduction specifically on the maintenance of roads.

The acquisition of a grader will go a long way in commencing with the implementation of the Maintenance Plan.

Gravel Road Infrastructure				
				Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year -2	5	0	0	0
Year -1	5	0	0	80
Year 0	160	0	0	160

Cost of Construction/Maintenance						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year -2	R1 456 000.00	0	0	0	0	0
Year -1	0	0	0	0	0	0
Year 0	0	0	R444 495.86	0	0	0

Financial Performance Year 0: Road Services						
		R'000				
Details	2014/15	2015/16	2016-17			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1456	0				
Expenditure:		0				
Employees	0	0				
Repairs and Maintenance	0	0				
Other	1456	0				
Total Operational Expenditure	1456	0				
Net Operational Expenditure	0	0				

WASTE WATER (STORMWATER DRAINAGE)

The objectives of the Roads and Storm Water function are the construction and rehabilitation of roads, repair of potholes and storm water management. The main challenge faced in the implementation of this function is insufficient budget provision for capital projects.

Storm water drainage cleaning is still a challenge to maintain. The solution here is to acquire high pressure jetting and have a proper programme in place for cleaning of drains, addressing damaged catch pits, repairing kerbs and channels.

B. PLANNING AND DEVELOPMENT

The Planning and Development department specialises on ensuring that all plans submitted are approved in terms of the standards. While local economic development promotes investments within the municipality.

PLANNING

The Spatial Development Framework of the municipality was reviewed in 2009. The SDF review process commenced on the year under review and it will be finalized during 2017/18.

The municipality has commenced with the land audit to ascertain ownership in six nodes which are Jozini, Ingwavuma, Mkhuze, Bhambanana, Ubombo and Ndumo.

During 2016/17 financial year; Land Use Planning within the municipality was undertaken within the context of the KwaZulu Natal Planning and Development Act (PDA) of 2008. All applications currently undertaken under the Planning and Development Act (PDA) were processed within the required timeframes of the PDA, which is 90 days and the planners in the municipality and COGTA are competent in using this legislation. In 2016/17 the Spatial Planning and Land Use Management Act (SPLUMA) has been fully implemented. The Junior Planner position was advertised.

There is no significant planning backlog in the municipality and all planning applications currently outstanding for consideration are as a result of outstanding information from the respective applicants.

Building plan approvals in the municipality are administered well. The Building Control Manager position was advertised.

Applications processed in 2016/17

Type	No. of received applications	Approved	Not Approved
PDA	06	0	06
Building plans			
Business Licenses			

MAJOR CHALLENGES IN SPATIAL PLANNING SERVICES AND REMEDIAL ACTIONS

- There are no Town Planning or land use schemes in place for the whole municipal area which makes it difficult to control development.
- The current SDF was last reviewed in 2009 which is now outdated
- Lack of support from Cogta in prioritising the review of SDF.
- Lack of internal committee to appoint the service provider
- Poor communication/coordination amongst sector departments when implementing infrastructural projects, projects implemented without prior approvals by the municipality.
- Land developers ignoring legislative requirements.
- Developers taking advantage on rural communities to side-line planning processes;
- No experienced Law Enforcement personnel;
- None use OR lack of understanding of the strategic purpose and objectives of the fundamental planning tools e.g. SDFs especially by decision making structures.

REMEDIAL ACTIONS

- Establish a standing structure comprising ITB, Traditional Council(s), Municipality, Rural Development (state land) and CoGTA to deal with land development issues in traditional areas.
- Finalise the Land wall to wall scheme

Planning Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year -1 15/16		Year 0 16/17		Year 1 17/18
		Target	Actual	Target	Actual	Target
To promote sustainable land use	Training of Traditional Councils on Land Use Management and Introduction of wall to wall schemes	6	6			
To transform rural and urban settlements into integrated and sustainable human settlements	Identify priority settlements for settlement planning. Date Human Settlement Plan adopted by Council. Reviewed housing sector plan	30-Dec-15	30-Dec-16- Done and adopted by Council			
Efficient and credible strategic and spatial Municipal Planning	Improved Spatial Development Framework Planning SDF review	30-Oct	There were delays in SCM processes so the project was not done.			
To improve the monitoring of compliance with building regulations	Well organised Towns Number of programs monitored	6	Notices are issued to people who have Illegal structure.			

Financial Performance 16/17: Planning Services						
						R'000
Details	Year -2	Year -1	2015-2016			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1178	1175				
Expenditure:						
Employees	1435	1420				
Repairs and Maintenance	-	20				
Other	224	248				
Total Operational Expenditure	1659	1688				
Net Operational Expenditure	481	513				
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						<i>T 3.10.5</i>

LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO ECONOMIC DEVELOPMENT

The success of a community nowadays depends upon its ability to adapt to the dynamic local, national and international markets. Poverty and employment are the main challenges facing Jozini. The Jozini strategy is the main instrument at local level to tackle job creation and poverty reduction. LED further aims to support previously disadvantaged people, marginalised communities, black empowerment enterprises and SMME'S to allow them to participate fully in the economic life of the country. LED uses local resources and skills to maximise opportunities for development at local level. The strategy has identified the following pillars as economic drivers of the area.

1. Agriculture Development
2. Tourism Development and Marketing
3. Enterprise Development

Economic Activity by Sector			
R '000			
Sector	2014/ 15	2015/16	2016/17
Agric (maize milling machines, gardens, poultry, goats, cattle, piggery)		R1,800 000	R10 000 000.00
Mining and quarrying (sand, block making, fencing)		R400 000	R500.000.00
Manufacturing (Craft work, sewing material)	N/A		R500.000.00
Wholesale and retail trade (Sound system, tents and chairs, generators, mobile fridges)	N/A		R4 000 000.00
Finance, property, etc.			
Govt, community and social services			
Infrastructure services (creches, art and craft centres, market stalls			R3 000 000.00
Total			R18 000 000.0 0

COMMENT ON LOCAL JOB OPPORTUNITIES:

Jozini Municipality, which forms part of the national boundary with Swaziland and Mozambique, is an important access route for tourists commuting to and from these countries. The local municipality has many tourism opportunities and two anchor projects aimed at economic development identified for this area include;

1. Muzi pan Adventures
2. Ngodini border Cave

The informal economy provides a form of livelihood to the poor and makes important contributions to the economic and social life of residents within the municipality. The informal economy within the municipality is diverse, ranging from street traders and shebeens owners to child careers and domestic workers. It is often characterised by its flexibility, creativity, resilient to absorb shocks, and its ability to adapt to changing external

environments. The services of informal economy in the municipality are not only addressing selling of food and beverages but also extend to tertiary services such as plumbing and catering. The table below give an indication of the number of jobs created through the programmes mentioned above.

Jobs Created during 2016/17 by LED Initiatives (Excluding EPWP projects)			
Total Jobs created / Top 3 initiatives	Jobs created 2015/16	Jobs created 2016/17	Method of validating jobs created/lost
	No.		
Initiative A: Informal traders	500	500	Registers and Reports
Initiative B: Tourism	100	80	Registers and Reports

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year -2	Culture and Environmental Sector, Infrastructure and Social Sector (3 Sectors)	335
Year -1	Culture and Environmental Sector, Infrastructure and Social Sector (3 Sectors)	445
2016-17	Culture and Environmental Sector, Infrastructure and Social Sector (3 Sectors)	215
* - Extended Public Works Programme		

Local Economic Development Policy Objectives Taken From IDP						
Service Objectives	Outline	Year -1		2016/17		Year 1
	Service Targets	Target	Actual	Target	Actual	Target
Service Objective xxx						
Training of people in essential skills: Bricklaying, Plumbing electricity and Bakery, Sewing, Business Management	Number of people trained	100	160	100	100	80
To exploit available agricultural opportunities for the benefit of local community	Signing of MOU for revival of the JVAC	-	-	Signing of MOU for revival of the JVAC	The MOU was drafted but not signed	Operationalise JVAC for farmers 'access to the market
To provide support to small business and informal traders for sustainability	10 funding applications for SMME's, 5 trainings and 10 facilities for informal traders constructed	-	-	10 funding applications for SMME's, 5 trainings and 10 facilities for informal traders constructed	400	80

Employees: Local Economic Development Services						
Job Level	Year -2	Year -1	2016/17			
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	%
0 – 3	1	1				
4 – 6						
7 – 9						
10 – 12	3	3				
13 – 15						
16 – 18	0	0				
19 – 20						
Total	4	4				

Capital Expenditure Year 0: Economic Development Services					
Capital Projects	2016/17				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Ward 1 Poverty alleviation projects	R800 000.00		R681 141.94	R118 858.06	
Ward2 Poverty alleviation projects	R800 000.00		R1024143.83	(R224143.83)	
Ward 3 Poverty alleviation projects	R800 000.00		R794 276.23	R15 723.77	
Ward 4 Poverty alleviation projects	R800 000.00		R1318261.74	(R518 261.74)	
Ward 5 Poverty alleviation projects	R800 000.00		R1084851.66	(R284 851.66)	
Ward 6 Poverty alleviation projects	R800 000.00		R1024992.92	(R224 851.66)	
Ward 7 Poverty alleviation projects	R800 000.00		R771 834.32	R28 165.68	
Ward 8 Poverty alleviation projects	R800 000.00		R1095786.65	(R295 786.65)	
Ward 9 Poverty alleviation projects	R800 000.00		R786 116.27	R13 883.73	
Ward 10 Poverty alleviation projects	R800 000.00		R1156440.28	(R356 440.28)	
Ward 11 Poverty alleviation projects	R800 000.00		R1734551.71	(R934 551.71)	
Ward 12 Poverty alleviation projects	R800 000.00		R806 217.69	(R6 217.69)	
Ward 13 Poverty alleviation projects	R800 000.00		R798 834.78	R1 162.22	
Ward 14 Poverty alleviation projects	R800 000.00		R1319600.06	(R519 600.06)	
Ward 15 Poverty alleviation projects	R800 000.00		R1323246.31	(R523 246.31)	
Ward 16 Poverty alleviation projects	R800 000.00		R1464822.11	(664 822.11)	
Ward 17 Poverty alleviation projects	R800 000.00		R968 590.11	(R168 509.11)	
Ward 18 Poverty alleviation projects	R800 000.00		R1156776.33	(R356 776.33)	
Ward 19 Poverty alleviation projects	R800 000.00		R816 816.94	(R16 861.94)	
Ward 20 Poverty alleviation projects	R800 000.00		R677 336.32	R112 663.68	
Jozini Market Stalls	R2 000 000.00				
Mkhuze Market Stalls	R500 000.00				
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.11.10

The Pictures below depicts some of the projects implemented in the year under review:



Ward 12 Local Economic Development Project Handover.



Ndumo Market Stall Handover

CHALLENGES REGARDING LED STRATEGY IMPLEMENTATION

One of the major challenges in LED was the approval of the LED strategy. The municipality has been implementing the LED strategy that has not yet been approved by Council due to the instability in the municipal Council.

Jozini LM operates under a limited budget and budget constraints are a significant problem for the implementation of LED projects and programmes. The Municipality has a number of key development projects in the pipelines that are aimed at strategically unlocking key development opportunities in the LM. In order for the realisation of said projects and the Jozini Nodal Expansion Plan, funding and budgeting remains a key issue.

Unfilled vacancies within LED at Jozini Municipality mean that the Unit is operating under capacity. This limits the ability for the implementation of projects and programmes. The Four existing staff within LED are pressurised by capacity constraints especially because the LED Officer is held up with poverty alleviation projects for the entire year which leaves a gap in terms of implementing other LED Programmes. Training and Capacity Building of LED Staff within Jozini Local Municipality is undertaken, however there is opportunity for more Capacity Building and Training Programmes to be incorporated.

C. COMMUNITY AND SOCIAL SERVICES

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The functional outlook of this Unit is to provide social comfort to the Jozini communities through ensuring that reading is encouraged amongst all community members. Provides access to knowledge and resource platforms through books and computers.

Ensuring that the environment is managed appropriately in line with various legislations promoting sustainability and greening of our environment. This is performed by providing educational and other awareness campaigns of maintaining clean environments and through collection and disposal of waste and leading up to the maintenance of cemeteries.

Safety of the ordinary person on the street is also the function performed by this Unit in conjunction with other national and provincial institutions like the Police and Transport Department by specifically ensuring that road accidents, good driver and passenger behavior is managed appropriately. Together with Public Safety this component attends to natural disasters caused by inclement weather of storms and or fire. Together through agreement with Umkhayakude District Municipality Jozini is well equipped and responds timorously to disaster with high excellence.

Finally it is this component that which responds and supports ward-based Social Programmes through Public Participation and strengthening oversight of Councilor performance function. This component is therefore responsible for:

- the initiation and strengthening of **social/poverty alleviation programmes** and support of Ward Committees;
- **capacity building of various social non-government bodies focused on reduction of poverty;**
- strengthening awareness programs regarding the aged abuse and access to indigent services;
- strengthening and support of youth development with the focus on job creation and skills development;
- Strengthening and support of persons.

LIBRARIES AND COMMUNITY FACILITIES

LIBRARIES

Jozini municipality is aligned with the National Development Plan (NDP) vision 2030 where libraries have the space to translate plans into meaningful actions that demonstrate the value of libraries in terms of eradicating poverty, illiteracy and unemployment with special emphasis on the educational and social priorities that include early childhood development and youth services.

The following services are offered by Jozini public library in fulfilling its mandate to bring information to the communities.

Services of Jozini library

a) Academic & Research Section

The following services were offered by Jozini library to redress the educational imbalances in historically disadvantage communities.

- CAO application forms and brochures were provided to grade 12 learners
- Private sector bursary forms were made available to grade 12 learners through online applications and printed hard copies.
- Previous exam papers were also made available for grade 12 learners

- Support for online applications to various tertiary institutions across the country
- Unisa students were assisted on their academic activities i.e. assignments and researches: Previous exam papers are available online via the student portal or please enquire at the circulation desk.
- Provide latest journals and latest academic books editions
- Reference guide

b) Early Childhood Development

The library services have the mandate to encourage culture of learning and eradicate illiteracy amongst the nation by providing reading activities to young learners or kids.

- Gaming at your library, for instance chess clubs were established in our library.
- Reading programmes and literacy campaigns i.e. spelling completion, story -telling etc.
- Providing juveniles books i.e. picture books, easy to read books, junior books, and so forth in all languages.
- Viewing of cartoons, color-in activities, face painting etc.



The above picture shown the Jozini Primary School learners during story telling hour at Jozini library as the part of encourage the culture of reading amongst the learners.



Above picture shows learners from Jurie Steyn Academy and Joy House Primary School doing color-in activity in our library as the part ECD programme that enhance reading and writing skills to primary school learners. This is a part of instilling passion of reading among learners.



Jurie Steyn Christian Academy learners enjoying themselves in the library on the programme called “*Sifunda Nawe*” campaign. It took place every Friday and its aim was to instill the culture of reading to primary school learners.

c) ICT

- Teaching library user's computer skills i.e. MS word (writing CVs, emailing and other social networks).
- E learning programmes- assisting UNISA & NWU students on their online academic activities.
- Computer classes
- Site Library Management System which assists on library circulation, cataloguing and statistics monitoring.
- The use of the computer workstations is for academic information retrieval purposes.
- Making information be accessible through internet usage such as e-learning
- Make the community aware on latest trends on ICT
- Socio-economic viability – low cost services such printing of CV's etc.
- Create awareness campaigns through social media platforms

d) General Public

Our library targeted a diverse audience including elderly citizens, business people, learners etc. Therefore the library focused on various educational programmes such as:

- Increased access to books and reading by conduct quarterly books exchange with regional depot.
- Conducting outreach programmes and schools visits.
- Providing newspapers for the purpose strengthened appreciation of reading culture.
- Library also provides discussion room / conference room.
- Photocopying and printing are provided.
- Audio visual materials –on various titles.
- Lending services i.e. books, study guides DVDs, CDs, and magazines.
- Copyright & plagiarism : Any copying of material done on library photocopiers must be carried out in compliance with the Copyright Act, 1978

- Support School Holiday Programmes/ School Camps
- Instill love of reading books
- Encourage book discussion

e) Exhibitions and Displays

Exhibitions and displays promotes awareness in certain subjects that are affecting our socio economic of the community

- display on Mandela day, World Book Day, Literacy week, Heritage month , festive season, valentine's day, drugs and world aids day
- exhibition on career guidance and women' month.



The above displays was on show during Valentine's Day

f) Mini Library for the Blind

Mini library for the blind specifically caters for people who totally blind and visually impaired. The current membership in Jozini library is 09 only. The following programmes are available to be used:

- Zoom text- a screen magnifier for Microsoft Windows which can help individuals with visual impairments and is capable of magnifying the screen up to 36 times. It also allows you to choose which part of the screen is magnified
- JAWS- a computer screen reader program for Microsoft Windows that allows blind and visually impaired users to read the screen with text to speech out.
- Claro Read- a highly effective software solution for supporting reading and writing. It can read any screen text out loud and is perfectly integrated with Microsoft Word
- Document Reader – for visually impaired users
- Victor Reader machine- audio visual reader machine

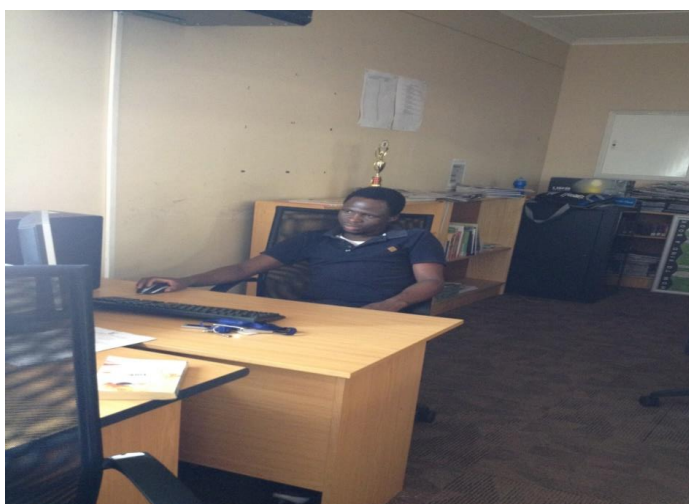


The above materials are for mini library for the blind: Victor reader machine, audio books and document reader.

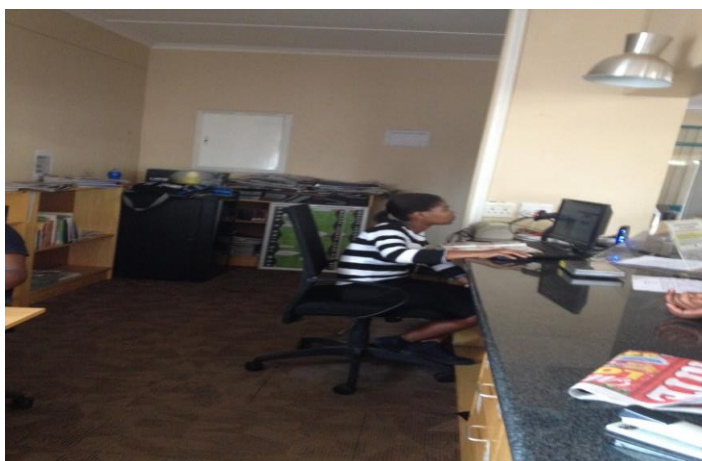
g) **Community Development**

Field work and practical service are the compulsory component to academic studies, then Jozini library provide students from various institutions the opportunity to do their field in the library on the following areas:

- Cataloguing magazines on SLIMS (seta library management system).
- Registration of new library users on SLIMS
- Assisting in makeup of display and exhibitions' in library
- Assisting library users on library cyber café
- Storytelling to learners as the of ECD programmes
- Shelving of library books
- Advocating literacy programmes
- Community awareness campaigns



Above picture is for Mr. Nselelo Sibiya, is library and information science honors' student at University of Zululand. He was doing in-service. Training in our library (Jozini).



The above picture is for Miss Issa Mthembu a final year student in library and information science at University of Zululand, she was doing field work with Jozini library as the part or their career requirement.

h) Mobile library- outreach programmes

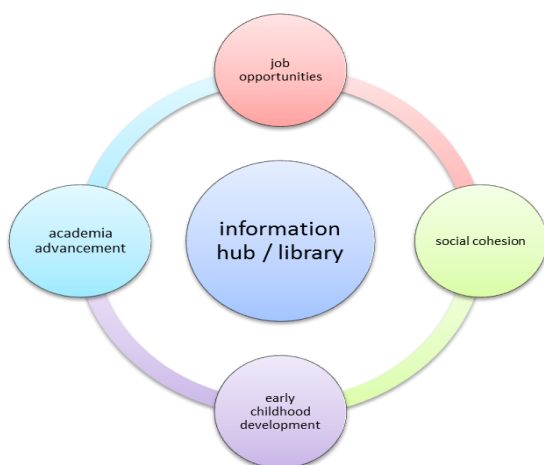
Jozini library has the wing that is dedicated to remote areas of Jozini i.e. Mhlekezi area, Manyiseni area, KwaJobe and many more villages that are not close to the town.

Mobile library assists reach those areas disadvantaged areas through road shows, schools visits and community awareness about importance of education.

The following activities are happening during outreach programmes:

- Reading picture books, puzzles games, cartoons viewing for primary school learners
- Career wise for high school learners
- Distribution of various institutions bursary forms and handbooks to grade 12s learners
- Assisting grade 12s to apply on online application in particular CAOs
- Organizing reading competitions amongst learners
- Assisting on establishment of book clubs in the community
- Do library promotion to traditional council meeting through presentations that includes awareness campaigns on subjects like drug abuse, HIV Aids, cultural heritage, child abuse and moral regeneration.
- Puppet shows

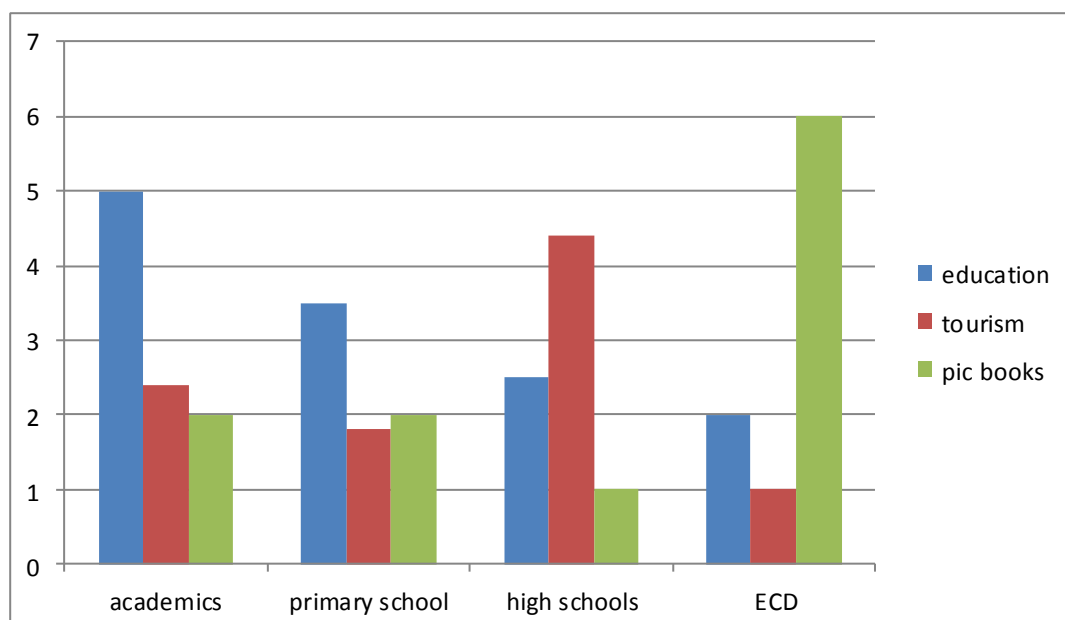
The below illustration shows, how Jozini public library assists local communities as information hub.



Through activities that were happening at Jozini library, one can safely say indeed the library is the information hub, hence the following newspapers are free for library users: Sunday Times, City Press, Mail & Guardian, Isolezwe, Ilanga, Sowetan and Mercury.

The viewing of SONA, budget speech, IDP document,

Library usage by patrons



CONDITIONAL GRANT

Jozini library received R 1.2m from KwaZulu Natal Department Arts and Culture as it stipulate by DORA. The grant covers all operational costs and salaries.

The Conditional Grant funding enabled the library to close gaps in the library material collection. The Collection Development Division identified several Focus Areas according to which books are procured. The areas include: books in indigenous languages, African Literature, general reading books to promote a culture of reading, healthy living, literacy, study and reference books.

Membership Table				
	ADULTS	YOUNG ADULTS	KIDDIES / JUVNILES	TOTAL
Previous year	1 530	240	160	1 930
New members	110	32	28	170
Grand total	495	125	220	2 100

Circulation Table									
Adult Fiction	Non Fiction	Large Print Book	Young Adult non-fiction	Young Adult fiction	Juvenile Fiction	Magazines	Audio Visual Materials	Talking Books	Total
295	378	180	298	123	102	110	117	08	1 581

Money Received				
Quarters	Fine	Photocopies	Lost Books	Total
1 st Quarter	R 12.00	R196.00	R 00	R196.00
2 nd Quarter	R 10.00	R 511.00	R 00	R511.00
3 rd Quarter	R 4. 00	R370.00	R 0.00	R370.00
4 th Quarter	R30.00	R1 077.00	R0.00	R1 077.00
Grand Total	R56,00			R1 133,00

Libraries and Community Facilities; Other Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year -1 15/16		2016/17		Year 1 17/18
		Target	Actual	Target	Actual	Target
To promote Culture of reading through extension of Library Services to more Communities	Conduct Reading Programmes	48	48	48 48	48	48
To conduct 16 outreach programmes for schools (Reading activities, library material, library promotion)	Preparation of an Annual outreach program plan for school visits. Provision of Mobile Library		16 Outreach Programmes	16 Outreach Programmes	16	16 Outreach Programmes
To conduct 16 Outreach Awareness programmes (display library material and library promotion) in all 20 wards	Annually calendar plan for awareness campaigns & Career Expo, Provision of Mobile Library		16 outreach programmes	16 outreach programmes	16	16 outreach programmes

CEMETERIES AND CREMATORIUMS

Cemeteries in two towns/villages are managed by the Municipality i.e. Ingwavuma and Mkhuze. In other three Towns/villages there are no formalized and registered cemeteries and in other villages they are managed by the church. However, the locally managed cemeteries are about to reach full capacity. There is a need to further identify land and engage the Ingonyama Trust Board and National Department of Rural Development and Land to procure more land for these purposes in the Municipality.

The municipality is in a process of establishing 3 new cemeteries at Ndumo, Jozini and Bhambanana.

CHILD CARE; AGED CARE; SOCIAL PROGRAMMMES

FUNCTIONS:

- Advocating for vulnerable groups e.g. youth, gender, children and people with disabilities, senior citizen and children.
- Advising the municipality on addressing issues of the vulnerable group's e.g. development of policies, strategic documents.
- Co-coordinating and implementing all municipal programs relating to the vulnerable groups
- Mainstreaming issues of the vulnerable groups into all municipal processes and programs
- Ensuring compliance on all prescribed legislation

2016/17 ACTIVITIES

Senior Citizens

- There was a senior citizen's day that held at Emanyiseni on the 15 of December 2016
- Jozini Senior citizen has participated to local, District and Provincial Golden Games
- One Jozini Municipality Senior Citizen has attended National Golden Games that held in North West on December 2016.
- Two senior citizens also attended senior citizen's parliament that took place on the 29 of October 2016

Children

- There was child protection week that took place on the 9th of June 2017
- Three children from Jozini participated parliament dialogue and they further attended the provincial parliament on the 2-5 June 2017.

Pastors

- There was a prayer day that took place at Obiva on the 31st of July 2017
- There was an interfaith meeting that took place on the 06 of April 2017
- There was a municipal prayer day that took place on the 11 of April 2017 at Egwaliweni
- There was a prayer for substance abuse that took place at Bhambanana on the 16 of May 2017.

Operation Sukuma Sakhe

- Through operation Sukuma Sakhe the municipality has managed to build three houses for destitute families

Local Drug Action Committee

- There was a drug substance abuse awareness that took place at Sbonokuhle
- With the aid of SORD nongovernmental organization we have managed to coordinate monthly meetings

HIV/AIDS

- There was an awareness campaign that took place at Emahlabeni on the 30 of June 2017
- There was an HIV/AIDS awareness campaign at ward 17 Ezinhlabeni hall on the 6 of June 2017
- There was a social ills awareness campaign that took place at ward 12 kwaKonya.

Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP

Service Objectives	Outline Service	Year 15/16		Year 15/16	
	Targets	Target		Actual	Target
Service Indicators		*Previous Year	*Current Year		*Current Year
(i)	(ii)	(v)	(vi)	(vii)	(viii)
Service Objective xxx					
Establish and/or strengthen community participation structures and monitor their functioning on predetermined interval as per policy and legislation by June 2017	7 SPU Programmes Implemented, monitored in line with SPU Strategy and Designated groups policies by June 2016				
	5 Sport Codes supported in line with the Sport Plan by June 2015				
	Co-ordinate needs analysis for the vulnerable groups and refer to relevant departments; NGO's; private institutions and parastals by June2016				
To promote Social cohesion through functional Forums.	Improved functionality of all Municipal Forums				<ul style="list-style-type: none"> - Number of Forum Meetings held - Number of Programmes held

D. ENVIRONMENTAL PROTECTION

This component includes: waste management; refuse collection; waste disposal; street cleansing; pollution control; biodiversity; landscape and pound management.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

The Jozini Integrated Waste Management Plan is a statutory requirement of the New National Environmental Management: Waste Act 2008 (Act No. 59 of 2008) which came into effect on 1 July 2009 and has as its goal the transformation of waste management collection and disposal to a sustainable practice focusing on waste avoidance and environmental sustainability. However, Jozini as a rural municipality has staggered refuse removal in all the areas it operates at least once a week by a modified truck and at Ingwavuma uses a bakkie drawn trailer collection. A standard collection plan was implemented where collection in each town/village takes place on separate days.

Due to limited budget the Municipality engages temporary short term contracted Expanded Public Works participants for street cleaning. Services were rendered to formal and informal settlements and include:

- Black bag system
- Public awareness
- Waste disposal (landfill sites)
- Cleansing and public toilets and skips (garden refuse).

WASTE MANAGEMENT

CHALLENGES

CHALLENGE	PROPOSED SOLUTION
Non-existence of approved Waste Management Plan	To develop, workshop and have plan Approved by Council structures and implemented
Refuse not separated and erratic supply of 2 refuse black bags and no green bags	To source funding through various strategies to augment operational budget
Non-existence of waste recycling plans	Develop workshop and have plan Approved by Council structures and implemented
Provision of services to communities in a sustainable manner e.g. public toilets	New public toilets to be included on Capital budget for the ensuing multiyear budget
Old and unsuitable disposal sites	Engage National Department(s) to identify, purchase and licence land for waste disposal.
In adequate budget	Collaborate with Finance to ensure that all trading businesses are identified and billed accordingly to increase revenue

Pollution Control Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year -1 15/16		Year 0 2016/17		Year 1 17/18
		Target	Actual	Target	Actual	Target
<i>Water and air purity</i>	Water: x% of all readings taken throughout the year on at least weekly to be found acceptable (clean) by National Standards	Water: x% of all readings taken throughout the year on at least weekly to be found acceptable (clean) by National Standards	To control illegal dumping that might lead to contamination of water sources. Through Clean-up Awareness Campaigns	Water: x% of all readings taken throughout the year on at least weekly to be found acceptable (clean) by National Standards	To control illegal dumping that might lead to contamination of water sources	Water: x% of all readings taken throughout the year on at least weekly to be found acceptable (clean) by National Standards
	Air: x% of all readings taken throughout the year on at least weekly to be found acceptable by National standard	Air: x% of all readings taken throughout the year on at least weekly to be found acceptable by National standard	To control burning of waste that lead to air pollution through Clean-up Awareness Campaigns	Air: x% of all readings taken throughout the year on at least weekly to be found acceptable by National standard	To control burning of waste that lead to air pollution through Clean-up Awareness Campaigns	Air: x% of all readings taken throughout the year on at least weekly to be found acceptable by National standard
Number of cleaning and waste disposal programmes carried out by June 2017.	The target is intended to improve the aesthetic appearance of the environment	Implement 2 cleaning programmes (street cleaning and waste collection), report on waste disposal,	1 cleaning programme (street cleaning)	1.Waste recycling where recyclers collecting waste recyclable in towns 2.Picking -up litters 3. street sweeping 4. house to house waste collection 5. Safely Waste Disposal 6. Clean-up Awareness Campaigns	1.Waste recycling where recyclers collecting waste recyclable in towns 2.Picking -up litters 3. street sweeping 4. house to house waste collection 5. Safely Waste Disposal 6. Clean-up Awareness Campaigns	The target is intended to improve the aesthetic appearance of the environment

E. HEALTH

The health function does not fall under the municipality's functions.

F. SECURITY AND SAFETY

This component includes: Traffic Law Office (traffic inspectorate); fire & rescue services; disaster management, Driving Licence Testing, control of public nuisances.

INTRODUCTION: PUBLIC SAFETY & DISASTER

Our top service delivery priorities are reducing the number of road deaths caused by accidents through traffic law enforcement, speed enforcement and road traffic safety education at schools and other institutions. Another priority will be to improve service delivery at the Traffic Centre. This will be achieved through service excellence and by identifying shortcomings and addressing these through training initiatives.

PUBLIC SAFETY

This section is responsible for the following activities:

Road Safety

- Co-ordinates specific activities associated with controlling traffic flow and public safety attending to traffic bottlenecks caused through accidents, breakdown or peak hour congestion.
- Monitors the local area and acts on situations/ behavior deemed to be inappropriate or non-conforming, by patrolling and observing the streets and suburban areas and identifying with non-conforming practices

In order to ensure inconvenience and/ or risk to safety is minimised through efficient handling of traffic congestion/ bottlenecks.

Community Policing

Monitors the local area and acts on situations/ behavior deemed to be inappropriate or non-conforming by

- Patrolling and observing the streets and suburban areas and identifying with non-conforming practices.
- Communicating with the offender and/ or interacting with the Control Room or South African Police Services to facilitate arrest for more serious offences.
- Acting on distress calls or information related to crime in progress, communicating with the Control Room to establish location and details and executing specific policing sequences on the scene (crowd control, arrests, etc.).

In order to ensure crime related incidents or related unsafe acts in contravention of laid down regulations and by-laws are attended to appropriately deal with.

Enforcing Compliance

Enforces specific by-laws, road traffic and safety regulations, by

- Participating in routine checks, stopping vehicles and conducting inspection of driver licenses, vehicle registration and roadworthiness requirements and/ or attending to specific infringement of road safety rules (illegal parking, etc.)

- Issuing fines, warnings and/ or serving summons on offenders and/ or executing arrests for more serious offences.

In order to ensure statutory regulations and by-laws are enforced contributing to the safety of road user and the community against crime

Summary of activities performed as from July 2016 to June 2017:

Our Traffic Law Enforcement section has performed the following activities during this period:

DETAILS	2015/2016	2016/2017
	Actual No.	Actual No.
Roadblocks	25	48
Fines Issued	2852	2780
Motorist arrested	29	9
Warrants Executed	33	0
Motor Vehicles Suspended	14	9
R-value of fines collected	R181 120.00	R177.230.00

The Picture below depicts the activities associated with Road Safety:



DLTC (DRIVING LICENCE TESTING CENTRE) AND VEHICLE TESTING

Jozini Driving License Testing Centre is responsible for the following functions:

Customer Focused Service Delivery

Licensing and Registration - Information Processing

Processing driving licences and registration applications, by:

- Interacting with the client and assessing requirements, referring to documentation.
- Confirming and/ or inserting relevant details of ownership and vehicle description, calculating the fees applicable referring to schedules/ tariffs.
- Collecting and receipting payments and issuing electronically generated or manually recorded acknowledgement to the client.
- Maintaining records of processed applications using alphanumeric filing sequences.
- Collating information pertaining to processed/ outstanding application/ fines etc. and recording and forwarding data to the immediate superior for perusal and action.

In order to ensure client needs are professionally attended to and information accurately processed in accordance with laid down guidelines.

Procedural applications

Testing and licensing

Co-ordinates and controls the application of procedures associated with the driver testing and registration or licensing, by

- Checking details of application received against identification and/or relevant supporting documents.
- Applying written/ oral testing sequence, moderating results and, establishing and informing applicants of outcomes.
- Determining driver fitness of all codes driving licenses in accordance with Road Safety and Traffic legislations, conducting visual tests and using electronic test equipment to establish conformance/ deviations with specifications and/ or driving vehicles to assess braking/ steering performance prior to issuing certification.

In order to ensure road safety is maintained through accurate and assessment, certification or licensing of applicants, drivers and vehicles satisfying the minimum prescribed requirements.

Payments Reconciliation

Reconciles payments and cash deposits against transactional information/ statements, by

- Counting and verifying cash amounts against receipts and completing deposit forms/ procedural documentation to facilitate the banking process.
- Reconciling cash deposits referring to system reports and statements and/ or responds, seeks clarity or resolves deviations in transactional information.
- Forwarding verified statements to external authorities (Department of Transport) for processing.

In order to ensure receipts and deposit related transactions are checked and verified in accordance with laid down departmental/ audit procedures.

General Functions

Enquiries/ correspondence and general information

Provides routine information related to vehicle licensing and registration procedures, by:

- Communicating with the client and establishing the nature of enquiry.

- Providing detail explanation of the procedural requirements and, issuing the necessary forms to be completed and returned.
- Referring complex enquiries to the immediate superior or relevant departmental personnel for attention.

In order to ensure enquiries are professionally attended to and the necessary guidance or guidelines in terms regulations accurately communicated to enable compliance

LEARNERS LICENSES STATISTICS				
DISCRIPTION	2015/16		2016/17	
	NUMBER	ORAL	NUMBER	ORAL
No. Of Applications	2023	0	2267	0
Passed	1030	0	1114	0
Failed	953	0	1125	0
FTA	39	0	33	0

DRIVIERS' LICENSE RENEWAL STATISTICS		
TYPE	2015/16	2016/17
Drivers' License Card & PDP Renewals	1866	1903
PDP Application	867	792
Temporal Driver's License Issued	119	1080
Leaners License Duplicates	6	30
TOTAL REVENUE GENERATED	R1,028,330-00	R1,092,290.00

SECURITY AND PROTOCOL

This Section was established in January 2014, with the mandate of safeguarding municipal assets. This division comprises of **20 Security Officers** and **04 Security Supervisors** who reports directly to the Manager Public safety on their key performance areas. Our security officers are deployed through all Municipality sites which are:

- Ingwavuma Office
- Jozini Municipal Stores
- Municipality Main Office
- Thusong Centre
- Jozini Pound Office
- Jozini Library
- Mkuze Traffic Office

Their core function is:

- Site Patrol Functions

Monitoring and Reporting

Performs specific activities associated with monitoring the Municipal premises and surroundings, by

- Conducting visual checks to establish entrances to the building are secured during the night.
- Patrolling the area and identifying with any deviations or breaches to security procedures (parameter lights not switched on, security gates not closed, etc.)
- Interacting with persons found on site to establish reasons and/ or alerting the immediate superior and/ or law enforcement personnel during emergencies/ suspected break-ins and related incidents.
- Communicating the status of security at the premises through verbal interaction with the immediate superior at defined intervals during the shift.

In order to ensure laid down instructions are complied with and any non-conforming activity/ deviations reported promptly.

Entry/ Exit Control

Performs specific activities at the main entrance to the Municipality, by

- Controlling the entry/ exit of personnel/ visitors from the premises and/ or checking vehicles.
- Recording registration and driver details in the gate control register
- Completing shift log sheet prior to handover and forwarding completed register to the immediate superior.

In order to ensure entry/ exit to/ from the premises is monitored and any non-conforming practices reported.

FIRE & RESCUE SERVICES

The component comprises of trained fire fighters as well as suitably capacitated disaster and rescue personnel.

INTRODUCTION TO FIRE SERVICES

Fire and Rescue Services is provided in conjunction with the Uthungulu District Municipality. An agreement was reached on support from the District Municipality. Jozini Municipality mainly attends to urban fires in built-up areas and the District Municipality to fires outside urban areas. Support does however take place as and when needed. Personnel capacity does hamper the delivery of a proper services but a satellite fire station is planned at Bhambanana.

Responsibilities:

Attends to the tasks/ activities associated with the fire and emergency services in the Municipality by:

- Performing a variety of tasks associated to responding to and dealing fires and emergency situations
- Rendering basic medical care to sick and injured persons and participating in fire safety work, training, and station and equipment maintenance
- To ensure the delivery of effective and efficient emergency services to save lives and property as far as possible to the benefit of all concerned including the public at large.
- Preparing for emergency incidents and protection duty by participating in training drills, simulation exercises, physical fitness training maintaining a high standard of safety and operational efficiency at emergency incidents.
- Participating in fire safety and pre- planning visits as directed by supervisors, reducing the incidence severity of fire and providing a safer environment for fire-fighters and communities.
- Participating in public fire education, conducting public demonstrations and to promote safety within communities.
- Inspection of fire hydrants and ensuring the state of preparedness of all hydrants in the area of jurisdiction.
- Attend to disaster incidents by assisting with assessments, relief distribution and other activities related to Disaster management and mitigation.

In order to ensure agreed standards, measures and specifications applicable to fire and emergency services are complied with.

DISASTER MANAGEMENT

Incidents attended		
TYPE	2015/16	2016/17
House fires	59	51
Motor Vehicles Accidents	26	22
Bush Fires	12	19
Other Incidents(floods, lightning , strong winds & heavy rains)	08	367
Injuries	75	11
Fatalities	19	3
Entrapments	07	10

Public Safety Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year 1 15/16		Year 0 16/17		Year 1 17/18
		Target	Actual	Target	Actual	Target
To Improve functioning of the Animal Pound	Conduct Community Awareness Campaigns	Number of Community Campaigns held=04	0	Number of Community Campaigns held=04 0		
Regulate functioning of animal pound by June	Preparation of an awareness plan,	No of Plans=01	1			

OTHER (DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc. Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
To Improve functioning of the Animal Pound	Conduct Community Awareness Campaigns	Number of Community Campaigns held=04	0	Number of Community Campaigns held=04	0				
Regulate functioning of animal pound by 30 June 2017	Preparation of an awareness plan,	No of Plans=01	1				No of Plans=01	1	

G. SPORT AND RECREATION

This component includes: sports fields; sports halls; stadiums; swimming pools.

INTRODUCTION TO SPORT AND RECREATION

The Sport and Recreation Office has embarked on talent nurturing for Jozini Municipality Youth in Full force. Twenty Eight football young stars were selected to advance for play offs in professional Multi choice Disk Challenge during Mayoral Cup Games. On the other hand the Municipality has sent athletes to SALGA games to representing Jozini Municipality in different Sport Codes.

The intention is:

- To fully engage the community especially Young people in sport and recreational activities so as to eradicate the use of Drugs and substance Abuse.
- To promote healthy living, discipline and the sustainability of sport in the community.

SERVICE STATISTICS FOR SPORT AND RECREATION

On the 17 of June 2017 municipality hosted the Mayoral cup which targets youth between the ages 14 – 25 . The Mayoral cup is preceded by a number of preparation meetings that are held with various stakeholders.

On the 30th of July 2016 Jozini also hosted indigenous games to promote our culture through sporting activities. The municipality has also participated in the District wide indigenous games.

On the 8-11 of December 2016 Jozini Municipality participated in the Salga games which are hosted yearly. The participation of the municipality is through UMkhanyakude District Municipality.

ARTS AND CULTURE

On the 03-04 of September 2016 Emachobeni and 10-11 of September 2016 Enyokeni Jozini Municipality hosted Umkhosi Womhlanga which targets youth between the ages 12 and above The Umkhosi Womhlanga is preceded by a number of preparation meetings that are held with various stakeholders.

On the 11 of February 2017 Jozini Municipality hosted Umkhosi Wamaganu at Emachobeni. The Umkhosi Wamaganu is preceded by a number of preparation meetings that are held with various stakeholders.

There is a wide range of spaces or areas used as sport and recreation facilities in Jozini Municipality. These ranges from informal to formal to class facilities. Some areas or wards have inadequate sport and recreation facilities and services provided and just as poor public open space provision for recreational use.

The service delivery priorities ranges from the following:

Outdoor playing field and courts. This is the typical multi-purpose facility found in our municipality where combi grass field are provided for a variety of sports activities, such as football, and athletics. We have all courts of sports such as netball, basket ball, tennis and volley.

Sport and Recreation Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year -1: 2015/16		Year 0: 2016/17		Year 1: 2017/18
		Target	Actual	Target	Actual	Target
<i>To promote healthy Life style through Sports and Recreational Activities</i>	Conduct Sporting & Recreational Activities	Number of Sporting & Recreational Activities=03	Three	1 Salga Games 1 Mayoral Cup and 1 Indigenous Games	Three	1 Salga Games, 1 Mayoral Cup and 1 Indigenous Games
<i>To promote participation of Communities in Art and Culture Programmes by June 2019</i>	Conduct Art and cultural activities	Number of Art and Cultural activities	Two	1 Umkhosi Womhlanga and 1 Umkhosi Wamaganu	Two	1 Umkhosi Womhlanga and 1 Umkhosi Wamaganu

Implementation of the Arts and Culture Projects (Umkhosi Wamaganu):



H. CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES, ETC

Corporate services department is the support department of the municipality which provides support to other line departments. One of this department's responsibilities is to provide physical facilities (offices), ensure that offices are cleaned, and assist with the supply of work material to employees and councillors. It also deals with the legal defence of the municipality and initiation of litigations where required.

EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

This division provides support to all Councillors in the form of all administrative duties (including agenda preparation for all meetings); it also provides secretariat of all statutory committees of council all movements and public engagements of Councillors as well as providing tools to execute their oversight functions by i.e. staff provision to the Executive Offices of the Mayor and Speaker.

Financial Performance Year 0: The Executive and Council					
R'000					
Details	Year -1	Year 2016/17			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	28 626 098.79				
Expenditure:					
Employees	15 297 078.73				
Repairs and Maintenance	2 130.00				
Other	7 705 381.53				
Total Operational Expenditure	23 004 590.26				
Net Operational Expenditure	-5 621 508.53				

FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

The Financial Services Department is responsible for the Budget and Treasury Office, Revenue Management, Expenditure Management and Supply Chain Management. The Department is also responsible for the maintenance of Valuation Roll. The activities of this section are detailed under Financial Performance (Chapter 5).

Financial Performance Year 0: Financial Services					
Details	Year -1: 2015/16	Year0: 2016/17			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	22 010 679.03				
Expenditure:					
Employees	12 180 721.67				
Repairs and Maintenance	506 198.60				
Other	21 613 671.68				
Total Operational Expenditure	34 300 591.95				
Net Operational Expenditure	12 289 912.92				

HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resources section deals with personnel management, skills development, occupational health & safety and labour relations matters. The priorities of this section are employment equity and the skills development committees. In order to improve the personnel performance, training and development is encouraged. HR policies were developed, reviewed but not approved due to Council instability.

Human Resource Services Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year -1: 2015/16		Year 0: 2016/17		Year 1: 2017/18
		Target	Actual	Target	Actual	Target
To provide support and administrative through training and skills development for all relevant stakeholders	Establish skills development committee. Review and implement skills development plan	30-Jun-15	12-Apr-16			Siya / Motho
To review and implement employment equity plan	Establish employment equity committee. Review and implement employment equity plan	Jun-15	Aug-15			Siya / Motho
To promote ethical conduct and deter fraud and corruption	Awareness workshop on code of conduct and ethics for councillors and officials. Disciplinary steps are taken within three months					Attendance register
to ensure and enhance the capacity of the municipality to provide effective and efficient to the community	Filling of critical positions and review recruitment and selection policy	Jun-15	Aug-15			Item to portfolio requesting the policy review workshop

Financial Performance Year 0: Human Resource Services					
Details	Year -1: 2015/16	Year 0: 2016/17			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	22 010 679.03				
Expenditure:					
Employees	12 180 721.67				
Repairs and Maintenance	506 198.60				
Other	21 613 671.68				
Total Operational Expenditure	34 300 591.95				
Net Operational Expenditure	12 289 912.92				
					T 3.26.5

PERFORMANCE OF HUMAN RESOURCE OVERALL

During this financial year, Human Resources did not have capital projects.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION

Information and Communication Technology Services fall under Corporate Services Department. This unit has only two personnel responsible for the municipality's ICT and due to that fact; other ICT services are outsourced and Kalmia is the service provider that performs the following services together with the municipal ICT personnel:

- ✚ Website
- ✚ Server Support
- ✚ Network Support and
- ✚ Security Support

The municipality has developed/ reviewed a list of ICT Policies to improve performance. The reviewed policies were not approved during 2016/17.

ICT Services Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year -1: 2015/16		Year 0: 2016/17		Year 1: 2017/18
		Target	Actual	Target	Actual	Target
<i>To review and approve 18 IT policies.</i>	Review of 18 policies	18	18 reviewed policies	18	0 Reviewed policies	18
						T 3.27.3

Employees: ICT Services					
Job Level	Year -1: 2015/16	Year 0: 2016/17			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0
4 - 6	0	0	0	0	0
7 - 9	1	1	1	0	0
10 - 12	1	2	1	1	50
13 - 15	0	2	0	2	100
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	5	2	3	60
					T3.27.4

I. ORGANISATIONAL PERFORMANCE SCORECARD

This report comprises the 2016/17 Annual Performance Report of the Jozini Local Municipality which has been compiled in accordance with Section 46 of the Local Government Municipal Systems Act, Act 32 of 2000. The report gives a synopsis of the performance against predetermined objectives.

KPA 1: INSTITUTIONAL DEVELOPMENT AND ORGANISATIONAL TRANSFORMATION

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
ID 01	Policies	To Review and implement 60 Policies by June 2019.	Meeting with employees to Conduct awareness to employees about policies & procedures for full compliance	Number of policies reviewed and implemented	50 (26 HR, 6 Admin and 18 ICT)	Meeting with employees Conduct awareness to employees about policies & procedures for full compliance	Workshop to Councilors on policies. Approval of 50 policies	Workshop to staff members on policies	Report on implementation of policies	Report on implementation of policies	Not Achieved	60 policies not yet approved by Council.	Policies are not yet approved by Council since they are still under review. Workshop for Councilors on policies	Management to facilitate date for Council meeting to review and approve policies as well as workshop for Councillors.	50 policies Council Resolution

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Presentation of reviewed policies to Councillors Approval and adoption of policies & procedure Conduct policy evaluation report			Presentation of reviewed policies to Councillors Approval and adoption of policies & procedures Conduct policy evaluation report							has not been held.		
ID02	Employment Equity	To achieve a balance	Consultation with all employees	Number of EE Plans developed	1 EE plan submitted to	Consultation with all employees	Establishment of EE commitment	Workshop for EE Commitment	Consultation of employees	Submission of EE Report to the	Achieved	One (1) EE report submitted to		Manage regular sittings of EE	EE Report Proof of submission to

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
	y	d and diverse workforce in the municipality in line with the Employment Equity Act No. 55 of 1998 by June 2019.	<div>ee</div> <div>Establishment of EE committee representing all segments</div> <div>Committee workshop</div> <div>Submission of EE</div> <div>Compliance with the EE targets (Top</div>	ed and submitted	Labor Department	<div>tee Awareness on the employment equity</div> <div>Establishment of EE committee representing all segments</div> <div>Committee workshop</div> <div>Submission of EE</div> <div>Compliance with the EE targets (Top Managem</div>	tee			Department of Labor		department of Labor		committee	Department of Labor

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Management - Male =2 African, 1 Coloured, 1 White; Female - 1 African, 1 Indian, 1 White. Snr Management - Male = 2 African, 1 Indian, 1 White. Snr Management - Male = 2 African, 1 Indian, Female=2 African, 3 Indian,			ent - Male =2 African, 1 Coloured, 1 White; Female - 1 African, 1 Indian, 1 White. Snr Management - Male = 2 African, 1 Indian, Female=2 African, 3 Indian, 2 Coloured, 2 White.									

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			2 Coloured, 2 White.												
ID03	Employee wellness	To promote the mental, social health and wellbeing of all employees for effective and efficient service delivery by June 2019	Consultation with all employees	Number of wellness programmes conducted to employees	1 Wellness programme	Consultation with all employees	Establishment of EAP committee	Terms of Reference	Draft EAP Plan	1 Awareness campaign	Not Achieved	One EAP committee established.	Postponement of the date for the launch of Wellness programme	Management to facilitate date for the launch of Wellness programme.	EAP Plan Attendance Registers
			Establishment of (EAP) committee representing all sections			Establishment of (EAP) committee representing all sections									
			Committee workshop			Committee workshop									
			Support employee			Support employee									

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			es in need of EAP			s in need of EAP									
ID04	Health and Safety	To create a working environment that is conducive for the effective and efficient service delivery by June 2019	Consultation with all employees	Number of OHS Programmes implemented	1 OHS Programme	Consultation with all employees	Establishment of OHS committee	Terms of Reference	Draft OHS Plan	1 Awareness campaign	Not Achieved	One Health and Safety committee.	Appointment of Health and Safety Officer	Fast track appointment of Health and Safety Officer and implement the programme.	OHS Plan Attendance Registers
			Establishment of (OHS) committee			Establishment of (OHS) committee									
			Draft Health and Safety Plan.			Draft Health and Safety Plan.									
			Committee workshop			Committee workshop									
			Awareness			Awareness									

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			ss campaigns			s campaigns									
			OHS Committee meetings			OHS Committee meetings									
ID05	Leave management		Maintain the personnel files	Number of Personnel reconciliation	4 Personnel reconciliation	Maintain the personnel files	1 Personnel reconciliation	1 Personnel reconciliation	1 Personnel reconciliation	1 Personnel reconciliation	Achieved	One leave reconciliation report		Leave Reconciliations are done on a monthly basis	Leave reconciliation report
			Update leave records	reconciliations performed		Update leave records									
			Procure clocking device			Procure clocking device									
ID06	Capacity Building	To capacitate municip	To conduct the skills audit	Number of staff and councilor	100 (staff member and	To conduct the skills audit	Conduct Skills Audit	50 (Staff and Council	Preparation of the WSP	Submission of the WSP 50 (Staff	Achieved	One WSP Annual Training Plan and		To submit on an annual basis	WSP Annual Training Plan

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		al employees and councilors by June 2019	Solicit consensus the priorities for the year	s trained in line with the WSP	councillors)	Solicit consensus the priorities for the year		or training)		and Councilor training)		Report submitted			Report on 100 staff and councilors trained
			Draft WSP			Draft WSP									
			Draft Annual Training Plan			Draft Annual Training Plan									
			Submit WSP to LGSETA			Submit WSP to LGSETA									
ID07	Labor Relations	To maintain working relations between the	Consult employees	Number of LLF meeting convened	4 LLF Meetings	Consult employees	Establishment of the	1 sitting of the LLF	1 sitting of the LLF	1 sitting of the LLF	Not Achieved		Quorum could not be met	Workshop LLF members on roles and responsibility	Minutes of LLF meetings Attendance Registers
			Establish the LLF			Establish the LLF	Local Labor Forum								

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		employer and the employees in line with the Collective Agreement by 30 June 2019	Conduct workshop to LLF members on the labor relations matters			Conduct workshop to LLF members on the labor relations matters	1 sitting of the LLF							ties and ensure regular sitting of the committee.	
ID08	Employee records	To maintain and manage municipal records by June 2019	Develop the filing plan	Number of registry reports generated	4 Registry Reports	Develop the filing plan	1 report of registry	1 report of registry	1 report of registry	1 report of registry	Achieved	4 quarterly reports			4 registry reports
			Update files			Update files									
			Draft procedure manuals			Draft procedure manuals									

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Procure the Electronic Document Management System			Procure the Electronic Document Management System									
			Training of end users on EDMS			Training of end users on EDMS									
ID09	Fleet management	To safeguard municipal fleet for accountability of usage	Procure and install fleet management system (TRACKER)	Number of fleet management reports generated	4 Fleet Management Reports	Procure and install fleet management system (TRACKER)	1 fleet management report	1 fleet management report	1 fleet management report	1 fleet management report	Achieved	Two (2) reports the system was acquired during the 4th quarter of 2016/17		Monitoring of the system on a monthly basis.	Annual Report on fleet usage

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		by June 2019	Conduct workshop to users			Conduct workshop to users									
			Perform reconciliations			Perform reconciliations									
ID10	ICT	To enhance municipal performance through access to ICT Systems by June 2019	Acquisition, installation, maintenance, & backups of the System	Number of ICT Systems report generated	4 ICT reports	Acquisition, installation, maintenance, & backups of the System	1 ICT report installation of software and hardware, support to users and connectivity of users and backup system	1 ICT report installation of software and hardware, support to users and connectivity of users and backup system	1 ICT report installation of software and hardware, support to users and connectivity of users and backup system	1 ICT report installation of software and hardware, support to users and connectivity of users and backup system	Achieved				Annual Report on ICT Systems - Connectivity, Support to users, installation of software and hardware and backup
			Support to the end users			Support to the end users									
			Connect users to the			Connect users to the									

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			relevant System			relevant System	backup system	system							
ID11	Website		Draft Website procedure manual	Number of website reports generated	4 website reports	Draft Website procedure manual	1 report on website update	1 report on website update	1 report on website update	1 report on website update	Achieved				Website screenshots Website reports
			Workshop to staff members on the procedure manual			Workshop to staff members on the procedure manual									
ID12	Council Support	To establish and maintain functionality of Council	Propose policy choices	Number of Council and Portfolio Committee	Council X 4 Portfolio Committees X12	Propose policy choices	Review order of delegation and	1 Council meeting and 3 Portfolio Committee meetings	1 Council meeting and 3 Portfolio Committee meetings	1 Council meeting and 3 Portfolio Committee meetings	Achieved	Two (2) Ordinary Council meeting and 5 meetings per		Portfolio committee to strictly adhere to the schedule of	Standing rules of Council and Council Committees
			Review order of delegation			Review order of delegation									

IDP No.	Priority Area	Objective	Strategies	Key Performance Indicators	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Way forward and/or Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		and its Committees by June 2019	Review standing rules of Council and Committees	meeting held		Review standing rules of Council and Committees	standing rules of Council 1	meeting				portfolio committee		meetings	Order of Delegation Minutes of Council and Portfolio Committee meetings Resolutions register
			Workshop councillors on Standing rules			Workshop councillors on Standing rules	1	meeting and 3							
			Gazette by law on standing rules			Gazette by law on standing rules	Committee meetings								

KPA 2: BASIC SERVICE DELIVERY

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
SD01	Electricity	To provide Grid Electricity to 1780 households by June 2019	Develop business plan for funding	Number of households connected to grid electricity	680 House hold connections	Appointment of Consultants	Survey of 680 households	Installation of poles to 680 households	Installation of network cabling	Connection and energizing of 680	Not achieved	680	The construction of the 680 household connections has been completed however the final step by ESKOM to energize has not been done	Inspection and certification has been done and a switch on date is to be given to the Municipality	- Appointment letters -Report on connectivity of households - Completion certificates
		Appointment of Consultants	Appointment of Contractors												
		Appointment of Contractors	Site Establishment												

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
SD02	Street Lights and High Mast s	To provide street lights at Mkhuz e, Jozini, Ubomb o, Ingwav uma by June 2019	Develop bill of quantities	Number of areas with street light maintained	6 urban centres (Jozini, Mkhuz e, Ndumo , Ingwav uma, Ubomb o, Bhamb anana	Develop bill of quantities	Maintenance of Jozini and Ndumo	Maintenance of Mkhuze and Ingwavu ma	Maintenance of Ubombo	Maintenance of Bhambanana	Achieved	40 Mkhuze solar streetlights were installed. 1 Ndumo high mast lights was repaired due to cable theft, Msiyan e high mast light was repaired			- Appointment letter - Bill of quantities - Report on Maintenance work
			Procurement of tools			Procurement of tools and materials									
			Execution of maintenance work			Execution of maintenance work									
			Appointment of Service providers			Appointment of Service providers									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
												d and 9 Jozini streetlights were repaired.			
SD03	Street Lights and High Masts	To provide High Mast Lights for community benefit in Wards: 15, 5, 4 & 2 by June 2019	Appointment of Service providers	Number of high mast light erected and maintained	4 high masts in Wards: 15, 5, 4 & 2 by June 2019	Appointment of Service providers	Appointment of consultant	Appointment the Contractor	Site establishment	Erection of 4 high masts	Not achieved		The INEP allocation was prioritized to house to house connections due to community unrests	The budget is allocated this financial year for Ward 3,4,14,15,18 to install lights and electrify some that	- Appointment letters -Report on the high mast erection - Completion certificates
			Erection of high masts			Erection of high masts									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
														were omitted during installation	
SD04	Electricity Installation at Staff Accommodation Facilities	To provide electricity to 121 Employee Residential Accommodation by June 2019	Appointment of the service provider Implementation of prepaid meter system	Number of employee residential accommodation electrified	121 residential accommodation	Appointment of the service provider Implementation of prepaid meter system	Appointment of the service provider	Installation of Cables	Installation of prepaid meters	Energize	Not achieved	The installation of cables and lights were completed.	The installation of main line and energizing of the new main line have not been done due to that Eskom is still	The follow up has been done and Eskom promised to finalize the processes by the end of August 2017	- Appointment letter - Report on installations done

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
													busy with processes of appointing the contractor.		
SD05	Municipal Buildings	To provide office space for municipal employees and Councilors by June 2019.	Appointment of Consultants	Number of offices extended and constructed	Jozini Main offices - Phase 2	Appointment of	-	Appointment of the service provider	Site establishment	Construction of Offices Phase 2	Not achieved	construction at 25%	Tender was re advertised due to the appointed contractor not meeting final contractual obligations	The contract or has been awarded. The construction is at 30%	- Appointment letter -Report on the construction work - Completion certificate
			Appointment of Contractors			Appointment of									
			Extension of the existing building			Extension of the existing building									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			building												
			Site handover												
			Construction of new offices												
SD06	Access Roads	To provide 200km access gravel road to rural community by June 2019	Appointment of Consultants	Number of kilometers of access roads maintained	80 km	Appointment of Consultants	Appointment of service providers	Site establishment	40km maintained	40km maintained	Achieved	Ward 10 & 12- 40 km, Ward 8 & 19- 40km			-Report of maintenance of roads - Completion certificates
SD 07	Access road	To rehabilitate	Appointment of	Number of kilometers	2.2km Mkhuz e	Appointment of Contractors	Appointment of	Site establishment	1.1km	1.1km	Not achieved	Less than 2% of	The initial contract	A new contract or has	- Termination letter

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
	s	8.2km of urban roads by June 2019	Contractors Maintenance of access roads	s of urban roads rehabilitated			service providers					the work	or was terminated due to poor performance	been appointed and a new work program has been approved	-New appointment letter -New schedule of works
SD08	Public Amenities	To provide 9 public amenities for socio-economic benefit to the community by	Appointment of Service providers Appointment of Contractors	Number of public amenities constructed	7 (4 community - Biva Ward 6, Mfingose Ward 19, Ngonyameni Ward	Appointment of Service providers Appointment of Contractors	Appointment of service providers	Site establishment	Construction of 5 public amenities (4 community - Biva Ward 6, Mfingose Ward 19,	Completion of 7 public amenities (4 community - Biva Ward 6, Mfingose Ward 19,	Not achieved	Cezwane Youth Centre 45% - Ngonyameni 40% -	- Cezwana there were delays due to community unrest Ngonyameni	Extension of time was granted with new programme Extension of time	-2x completion certificates -1x practical completion certificate -2x extension of time

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		June 2019	Construction of public amenities		18 and Cezwana Youth Centre; 1 transport facility - Ingwavuma taxi rank, 2 sports fields	Construction of public amenities			Ngonyameni Ward 18 and Cezwana Youth Centre; 1 transport facility - Ingwavuma taxi rank,	Ngonyameni Ward 18 and Cezwana Youth Centre; 1 transport facility - Ingwavuma taxi rank, 2 sports fields		Biva Hall Practical Completion - Mfingos i	there were delays in releasing land	was granted with new programme	
												100%			
												Ingwavuma Taxi Rank			

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
												100%-			
SD09			Appointment of the contractor	Number of swimming pools refurbished	1 in Jozini urban area	Appointment of the contractor	-	Appointment of the service provider	Site handover	Construction and Completion of the Swimming pool	Not achieved	Advert and appointment of service provider	The tender was advertised only one service provider qualified out three that submitted their bid. The preferred bidder failed to submit his TAX clearanc	The project is budgeted on 2017/18 financial year.	-advert -failed appointment letter
			Refurbishment of Jozini swimming pool			Refurbishment of Jozini swimming pool									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
													certificate.		
SD10	Public Toilets	To provide public toilets in Jozini, Mkhuz e, Ingwav uma and Bhamb anana	Appointment of Service providers	Number of public Toilets Refurbished	Refurbishment of 4 public toilets in Jozini, Mkhuz e, Ingwav uma and Bhamb	Appointment of Service providers	-	Appointment of the service provider	Site handover	Refurbishment of public toilets and Completion of the public toilets	Achieved	Two Mkhuze public toilets repairs were completed, Ingwav uma repairs were complet	-		- Appointment letter -Report on refurbishment works - Completion certificates
			Appointment of Contractors			Appointment of Contractors									
			Develop Bill of			Develop Bill of Quantities									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		for socio-economic benefit to the community by June 2019	Quantities		anana							ed, Bhambanana septic tank was drained .			
			Refurbish Public Toilets in Jozini, Mkhuze, Ingwavuma and Bhambanana												
SD11	Buildings		Mkhuze testing ground Phase 3	Number of testing grounds constructed	1 testing ground	Appointment of service provider	-	Appointment of service provider	Site Establishment	Construction of Mkhuze testing grounds	Not achieved	designed	MIG has not approved it. It must be re-registered at	Application for registration has been sent to transport.	-application
						Construction of the testing centre									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
													department of transport		
SD12	Infrastructure Planning	To provide a framework for integrated infrastructure planning and implementation by June 2019	Appointment of the service provider	Approval of the Comprehensive Infrastructure Plan	1 CIP	Appointment of the service provider	Appointment of the service provider	Infrastructure backlog study	Draft CIP	Approval of the final CIP	Not achieved		No funding	Master infrastructure plan is budgeted - 2017/18 FY	Appointment letter Comprehensive Infrastructure Plan Document Council Resolution
			Conduct Feasibility study			Conduct Feasibility study									
			Development of a Comprehensive Infrastructure Plan (CIP)			Development of a Comprehensive Infrastructure Plan (CIP)									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Plan (CIP)												
			Approval of the CIP by Council			Approval of the CIP by Council									
SD13		To maximize the lifespan of municipal buildings and access roads by June 2019	Draft the Road Maintenance Policy	Number of roads maintenance and building maintenance policies approved and implemented	2 policies (roads maintenance and building maintenance)	Draft the Road Maintenance Policy	Workshop on policies and draft plans	Approval of 2 Policies and 2 plans	-	-	Achieved	Draft policy and plan were approved by Executive council committee.			Roads maintenance policy Road maintenance plan Building maintenance policy Building maintenance plan Council resolution
			Draft the Building Maintenance Policy			Draft the Building Maintenance Policy									
			Conduct			Conduct									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Identify backlog study			backlog study									for approval of policies
			Develop bill of quantities			Develop bill of quantities									
			Draft the Building Maintenance Plan			Draft the Building Maintenance Plan									
			Draft the Roads Maintenance Plan			Draft the Roads Maintenance Plan									
SD14	Tourism Facilities	To unlock tourism	Appointment of the	Number of tourism	1 tourism centre	Appointment of the consultant	Appointment of the	Site establishment	Construction	Completion of the	Achieved				Appointment letter Report on

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
	ties	opportunities to benefit local communities by June 2019.	consultant	information centres constructed	in Mkhuz		service providers			construction work					construction works Completion certificates
			Appointment of the Contractor												
			Construction of the tourism information centre												
SD15	Cemeteries	To provide a formal and organized burial site for	Appointment of Consultants	Number of municipal cemeteries constructed	1 cemetery in Mkhuz	Appointment of Consultants	Appointment of service providers	Site establishment	Fencing of the Cemetery	Construction of Mkhuz cemetery and ablution facilities	Achieved	Mkhuz Cemetery is fenced. Security guard is built. Consulted is	The construction of Mkhuz Cemetery offices and Ablution was not		- Completion certificates.
			Appointment of the Contractor												

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		the benefit of communities in urban centres by June 2019	ctor									appointed to formalize three sites to establish cemeteries at Ndumo, Bhambanana and Jozini	achieved due to the dalliance on appointment of service provider.		
			Fencing of Mkhuz e cemetery			Fencing of Mkhuz e cemetery									
			Construction of cemetery			Construction of cemetery									
			Construction of construction cemetery ablution facilities			Construction of construction cemetery ablution facilities									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			s												
SD16	Waste Management	To provide waste management service for clean and health environment by June 2019	Review the IWMP	Number of programmes on IWMP implemented	4 programmes (waste collection, waste disposal, waste recycling, cleaning campaigns)	Review the IWMP	4 programmes (waste collection, waste disposal, waste recycling, cleaning campaigns)	4 programmes (waste collection, waste disposal, waste recycling, cleaning campaigns)	4 programmes (waste collection, waste disposal, waste recycling, cleaning campaigns)	4 programmes (waste collection, waste disposal, waste recycling, cleaning campaigns)	Achieved	Cleaning Awareness Campaigns: was Conducted at Mkhuze Waste Disposal Facility on the 23 September			Statistics of waste collected Registers of waste management staff Integrated Waste Management Plan Council Resolution
			Coordinate Relevant Sector Departments												
			Approval of the IWMP by Council												
			Procure waste												

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			truck and equipment									2016. Mlingo Village on the 18 January 2017. Jozini Bottom Town on the 24 February 2017. Ndumo Town on the 02 June 2017			
			Implementation of the IWMP in 6 nodes			Implementation of the IWMP in 6 nodes									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
SD17			Conduct feasibility study for 3 waste disposal sites in Ndumo, Bhambanana and Ingwavuma	Number of waste disposal sites established	1 waste disposal sites at Ntabanyengwe to service Ndumo, Ngwavuma and Bhambanana	Engage DEA	Secure land	Establishment of the land disposal site in (Ndumo and Ntabanyengwe	Establishment of the land disposal site in (Ndumo and Ntabanyengwe	Establishment of the land disposal site in (Ndumo and Ntabanyengwe	Not achieved	Land has been secured and next staged to ensue in the next financial year.	The process of securing land took longer than anticipated and thus could not proceed with the actual establishment phase.	The establishment phase will proceed in the financial year of 2017/18	Letter from Mngomezulu TC confirming land availability.
			Secure land for Mkhuz e dumping site			Conduct feasibility study									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
SD18			Engage DEA			Implementation of the project									
			Implementation of the project												
			Social facilitation to secure land			Social facilitation to secure land									
			Engage DEA, SALGA, MDB, Dept. Land Reform, Traditional Leaders and	Number of license issued for dumping sites	1 license for Mkhuz e dumpin g site	Engage DEA, SALGA, MDB, Dept. Land Reform, Traditional Leaders and Pongola Municipality	Engagement of stakeholders	MOU with all role players	Permission to occupy	License issued	Not achieved	The land for the disposal site has been secured from Pongola Municipality. Application has submitted to	The municipality does not have own funding BUT coordinates accessing funding from DEA.	Department of Environmental Affairs will license Mkhuz e Waste Disposal Facility in the financial year 2017/2018	-Letter from Uphongolo Municipality - Commitment correspondence from DEA.

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Pongola Municipality									DEA for assistance in the next stages.			
			Application for license			Application for license									
			Procurement of Equipment			Procurement of Equipment									

KPA 3: LOCAL ECONOMIC DEVELOPMENT

ID P no .	Priority Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
LE D0 1	Social welfare	To mainstream previously disadvantaged groups for socio-economic benefit by June 2019.	Draft the Special Programmes Development Plan and policy Review Previously Disadvantaged Groups Strategies (HIV/Aids, Youth, Elderly, Disabled and Women and Children, Men,	Number of programmes implemented for previously disadvantaged groups	7 (HIV/AIDS, Youth, Disability, Women and children, Men, Pastors, Elderly)	Draft the Special Programmes Development Plan and policy Review Previously Disadvantaged Groups Strategies (HIV/Aids, Youth, Elderly, Disabled and Women and Children, Men, Pastors)	1 Women's programme	1 Elderly Programme and 1 HIV/AIDS Programme	1 Men and 1 Pastors Programme	1 Children's programme, 1 Youth Programme	Not achieved	4 programmes for Youth, Women, Disabled, HIV/AIDS			-Report on SPU Programmes - Attendance registers

ID P no .	Priority Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
LE D0 2			Pastors)												
			Conduct advocacy campaigns targeting all Previously disadvantaged groups			Conduct advocacy campaigns targeting all Previously disadvantaged groups									
			Conduct Operation Sukuma Sakhe meetings on Monthly	Number of Operation Sukuma Sakhe meetings held	12 OSS Meetings	Establishment of the OSS Committee	3 OSS Meeting	3 OSS Meeting	3 OSS Meeting	3 OSS Meeting	Achieved	OSS roll out plan was not developed but the implementation			-Minutes of OSS meetings - Attendance registers
			Development of the roll out plan for			Development of the roll out plan for OSS									

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie vement	Corr ectiv e Mea sure	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
			OSS									of OSS progra mmes were done and war room sitting			
			Approval of OSS Plan by Council			Approval of OSS Plan by Council									
			Coordinate OSS Meetings			Coordinate OSS Meetings									
LE D0 3			Coordinate establishme nt of structures representin g special programme s: HIV/AIDS, Youth, Disability, Women and children, Men,	Number of Special programme s forum meetings held	4 quarterly meetings (HIV/AIDS , Youth, Disability, Women and children, Men, Pastors, Elderly)	Coordinate establishment of structures representing special programmes: HIV/AIDS, Youth, Disability, Women and children, Men, Pastors, Elderly	1 meetin gs (HIV/A IDS, Youth, Disabil ity, Wome n and childre n, Men, Pastor	1 meetin gs (HIV/A IDS, Youth, Disabil ity, Wome n and childre n, Men, Pastor	1 meetin gs (HIV/A IDS, Youth, Disabil ity, Wome n and Childr en, Men, Pastor	1 meetings (HIV/AID S, Youth, Disability , Women and children, Men, Pastors, Elderly)	Not achiev ed		As from July 2016 all forum s were not functio ning due to electio ns that	Minutes of meetings Attendan ce registers	

ID P no .	Priority Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Pastors, Elderly				s, Elderly)	s, Elderly y)	s, Elderly y)				took place on the 3rd of August 2016.		
LE D0 4	Indigent	To assist 1395 beneficiaries with indigent basic support by June 2019	Review Indigent Policy	Number of Indigent beneficiaries supported	465 beneficiaries supported	Review Indigent Policy	Approval of Indigent Policy by Council Establishment of the Indigent	Data Capturing	465 beneficiaries supported	465 beneficiaries supported	Not achieved	108 Please provide proof that 108 were assisted	Budget exhausted for the financial year	What measures will you take to prevent recurrent and also	List of beneficiaries
			Establish Indigent Committee			Establish Indigent Committee									
			Verification of beneficiaries			Verification of beneficiaries									
			Review Indigent Register			Review Indigent Register									

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie vement	Corr ectiv e Mea sure nt	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
			Conduct Indigent Policy/Regi ster roadshows			Conduct Indigent Policy/Register roadshows	Comm ittee							achie ve the targe t	
			Capturing of data			Capturing of data									
			Implementa tion Indigent Policy			Implementation Indigent Policy									
LE D0 5	LED Strat egy	To exploit available opportuniti es for economic benefit to the community by June 2019.	Engagemen t with stakeholder s	Number of LED strategies and	1 LED Strategy	Engagement with stakeholders	Draft LED Strate gy and	Condu ct works hops	Submi ssion of final LED and Touris m strate gy to Counc il	-	Not achiev ed	The strategy is in a draft stage	The counci l reque sted a works hop on the strate gy prior	The work shop has been sche dule d in the 2017 -18.	-Draft LED Strategy
			Draft LED Strategy	Tourism strategies approved and		Draft LED Strategy	Draft Touris m Strate gy								
			Conduct workshop	implemente d		Conduct workshop									
			Submission of final draft to Council			Submission of final draft to Council for									

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie vement	Corr ectiv e Mea sure	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
			for adoption			adoption							appro val.		
LE D0 6	Agri cultu re	To exploit available agricultura l opportuniti es for the benefit of local community by June 2019.	Review the Agricultural Sector Plan	Number of intervention s to operationali ze the JVAC done	Signing of MOU for revival of the JVAC	Review the Agricultural Sector Plan	Establi shmen t of databa se for emergi ng and comm ercial farmer s in comm odities	Reviv al of the Agricu lture Comm ittee	Farmer s Land owner ship report	Operatio nalizatio n of the JVAC	Not achiev ed	The MOU was drafted	The Imple menti ng agent dema nded monie s for the imple menta tion and it theref ore beca me appar	To appr oach Dept. of Rural Deve lopme nt for fundi ng.	-Draft MOU -Data base of Emerging and commerc ial farmers
			Revive the sitting of Agricultural Sector Committee.			Revive the sitting of Agricultural Sector Committee.									
			Undertake constant annual audit of agricultural activities.			Undertake constant annual audit of agricultural activities.									
			Establish a consolidate d database of all emerging			Establish a consolidated database of all emerging and commercial									

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie vement	Corr ectiv e Mea sure	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
			and commercial farmers as well as commodities.			farmers as well as commodities.							ent that an MOU must be signed ONLY after securing funding The challenge was not receiving a funding		
			Establishment of farmers cooperatives and SMME'S in order to assist them to share transport and other business costs			Establishment of farmers cooperatives and SMME'S in order to assist them to share transport and other business costs									
			Revive the functioning of JVAC			Revive the functioning of JVAC that will									

ID P no .	Priority Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			that will be a market avenue for small scale farmers by June 2016			be a market avenue for small scale farmers by June 2016							Was there funding required for signing.		
LE D0 7	Tourism	To unlock tourism opportunities to benefit local communities by June 2019.	<div>Review of the Tourism strategy</div> <div>Revive the sitting of the tourism forum</div> <div>Developing tourism marketing materials</div>	Number of tourism programmes implemented	7 (1 tourism exhibition in Johannesburg and 1 Cape town international, 1 Tourism Indaba in	<div>Review of the Tourism strategy</div> <div>Revive the sitting of the tourism forum</div> <div>Developing tourism marketing materials</div>	1 tourism exhibition in Johannesburg and 1 in Cape Town	1 Local Tourism exhibition 1 workshop to school pupil	1 workshop to school pupil	1 Tourism Indaba 1 workshop to the community	Achieved				- Attendance registers

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie vement	Corr ectiv e Mea sure	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
			Exploitation of competitive advantages in tourism (Jozini Dam, Fishing and Game reserve and bird watching in Ndumo)		Durban, 2 workshops to schools and 1 community and the local tourism exhibition	Exploitation of competitive advantages in tourism (Jozini Dam, Fishing and Game reserve and bird watching in Ndumo)									
			Support of tourism SMME'S and informal sector business persons			Support of tourism SMME'S and informal sector business persons									

ID P no .	Priority Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Expansion of business and tourism events			Expansion of business and tourism events									
			Tourism Awareness Programmes.			Conduct Tourism Awareness Programmes.									
			Conduct skills and capacity building in tourism services and hospitality			Conduct skills and capacity building in tourism services and hospitality									
			Support to the functioning of the Community Tourism												

ID P no .	Priority Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Organization												
			Facilitate the renovation of Visitors Information Centres												
LE D0 8		To unlock tourism opportunities to benefit local communities by June 2019.	Data collection of tourism centres	Number of Tourism marketing materials procured	2 000 brochures	Data collection of tourism centres	Tourism sites information	Appointment of service provider	2000 tourism brochures printed	2000 tourism brochures distributed	Not Achieved	1000 brochures were procured and distributed	The budget was split to accommodate other tourism related promo	The other 1000 brochures will be procured and distributed in	- remittance advise r
			Appointment of the service provider			Appointment of the service provider									
			Printing of brochures			Printing of brochures									
			Distribution to sites			Distribution to sites									

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie vement	Corr ectiv e Mea sure	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
													tional materi al	2017 -18 FY	
LE D0 9		To unlock tourism opportuniti es to benefit local communiti es by June 2019.	Coordinate sitting of meeting	Number of Community Tourism Organizatio n meetings held	4 CTO meetings	Coordinate sitting of meeting	Signin g of an MOU 1 Meetin g	1 Meetin g	1 Meetin g	1 Meeting	Achiev ed				-Minutes of meetings - Attendan ce Registers
			Provide support to CTO			Provide support to CTO									
LE D1 0	SM ME/ Entr epre neur s/Co oper ative	To provide support to small business and informal traders for sustainabil	Develop an investment promotion and facilitation strategy	Number of SMME's/En trepreneurs/ cooperative s supported	10 funding application s for SMME's, 5 trainings and 10 facilities for	Assist SMME's and Cooperatives in packaging funding application to existing funders	10 funding applic ations for SMME 's	2 trainin gs to SMME 's	3 trainin gs to SMME 's	10 facilities for informal traders construct ed	Achiev ed	400			-SMME Training report -Proof of submissi on of 10 funding applicatio

ID P no .	Priority Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
	s	ity by June 2019	To review Informal Economy Policy and Implementation.		informal traders constructed	Conduct skills audit for SMME'S and Cooperatives	submitted								ns - Appointment letter for the construction of informal traders' facilities
LE D1 1	Job creation	To provide 4305 job opportunities for poverty alleviation by June 2019	Development of business plans for EPWP and CWP funding	Number of jobs created	1600 job opportunities through EPWP and CWP	Development of business plans for EPWP and CWP funding	700 job opportunities created	400 job opportunities created	250 job opportunities created	250 job opportunities created	Achieved				-Payroll from Finance
			Implementation of EPWP			Implementation of EPWP									
			Implementation of CWP			Implementation of CWP									

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie vement	Corr ectiv e Mea sure	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
LE D1 2	Cata lytic Proj ects	To solicit funding to implement 5 catalytic projects for socio- economic benefit of community members by June 2019	Identify potential fundors for funding of catalytic projects (JVAC, Umnotho Phantsi, Recycling Centre, Fish Farming Project, Block Making Project)	Number of business plans developed and implemente d	5 Business plans developed for catalytic projects (JVAC, Umnotho Phantsi, Recycling Centre, Fish Farming Project, Block Making Project)	Identify potential fundors for funding of catalytic projects (JVAC, Umnotho Phantsi, Recycling Centre, Fish Farming Project, Block Making Project)	Establi shmen t of Project Steeri ng Comm ittee	2 X Busin ess Plans submit ted to funder s	3 X Busin ess Plans submit ted to funder s	Signing of funding agreeme nts	Not achiev ed		There was no fundin g to develo p busine ss plans	To be carri ed over the next finan cial year 2017 /201 8	5 X Business Plans Funding Agreeme nts
			Develop business plans for five catalytic			Develop business plans for five catalytic projects									

ID P no .	Prio rity Area	Objective	Strategies	Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achie ved/N ot Achie ved	Actual s	Reas on for non- achie veme nt	Corr ectiv e Mea sure	Portfolio of Evidenc e
							Quart er 1	Quart er 2	Quart er 3	Quarter 4					
			projects												
			Submit business plans to funders			Submit business plans to funders									
			Engage to solicit funding			Engage to solicit funding									
			Implement five catalytic projects			Implement five catalytic projects									

KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
GG 01	PMS	To inculcate a culture of performance management to all municipal staff by June 2019	Review and Approve PMS Framework Workshop PMS Framework to Stakeholders Signing of Performance Agreements, Performance Contracts for	Number of Performance Reports tabled to Council	4 Organizational Performance Assessment Reports	Conduct PMS Quarterly Assessments Draft Annual Report Final Annual Report	4th Quarter Performance Report: 2015-2016 fy Annual Report	1st quarter performance report 2016-2017	2nd quarter performance report 2016-2017	3rd quarter performance report 2016-2017	Achieved	The 2nd & 4th Quarter Reports done			4 Quarterly Reports Council Resolutions

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Section 54A/56 Managers												
			Draft OPMS												
			Adoption of Final OPMS												
			Draft IPMS Plans												
			Final IPMS Plans												
			Conduct PMS Quarterly Reviews												
			Draft Annual Report												
			Final												

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Annual Report												
GG 02	PMS		Drafting of Individual Performance Plans	Number of Performance Agreements signed by S54A and S56 Managers	6 Agreements	Drafting of Individual Performance Plans	6 Agreements Submission to Council and COGTA Upload to Municipal Website	-	-	-	Achieved	6 Performance Agreements completed but only 3 signed and submitted to COGTA the other 3 waiting for the Appointment of Sec 56/7 Manager			Signed Performance Agreements Proof of submission to COCTA
			Development of Performance Agreements			Development of Performance Agreements									
			Declaration of interest by management			Declaration of interest by management									
			Signing of performance agreements			Signing of performance agreements									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Submission to Submission and COGTA			Submission to Submission and COGTA						s			
			Upload to municipal website			Upload to municipal website									
GG 03	PMS		Appointment of Panel members	Number of Individual	4 Individual Performance reviews for 6 Senior managers	Appointment of Panel members	1 Individual Performance review for 6 Senior managers	1 Individual Performance review for 6 Senior managers	1 Individual Performance review for 6 Senior managers	1 Individual Performance review for 6 Senior managers	Achieved	Departmental PMS Review was done for Quarter 2 & 3 and the Formal Final Assessment for 2016/17 was			Schedule of performance reviews Minutes of Performance Review sessions Attendance Registers
			Disseminate schedule of performance reviews	Performance reviews conducted to the Municipal Manager		Disseminate schedule of performance reviews									
			Prepare a report to Council on PMS	Manager and Managers directly		Prepare a report to Council on PMS									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Reviews	accountable to the MM and other managers		Reviews						done on the 17th August 2017			
			Implement resolution of the Council			Implement resolution of the Council									
GG 04	Governance structures	To provide assurance on the municipal systems of internal controls by June 2019	Drafting of Internal Audit Charter	Number of Audit Committee meetings held	4 Audit Committee meetings	Drafting of Internal Audit Charter	1 Audit Committee meeting	1 Audit Committee meeting	1 Audit Committee meeting	1 Audit Committee meeting	Achieved				Minutes of audit committee meetings Attendance registers of the AC meetings
			Drafting of Audit Committee Charter			Drafting of Audit Committee Charter									
			Drafting of Internal Audit Strategy			Drafting of Internal Audit Strategy									
			Drafting of the Risk Based			Drafting of the Risk Based									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Internal Audit Plan			Internal Audit Plan									
			Appointment of Audit Committee Members			Appointment of Audit Committee Members									
			Workshop Internal Audit Plan (Council, Audit Committee and Staff)			Workshop Internal Audit Plan (Council, Audit Committee and Staff)									
			Implementation of the Internal Audit Plan			Implementation of the Internal Audit Plan									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Follow ups on AG implementation plan			Follow ups on AG implementation plan									
GG 05			Develop an enterprise risk management framework	Number of risk committee meetings convened	4 risk committee meetings	Develop an enterprise risk management framework	Approval of the enterprise risk management framework	1 risk management committee meeting	1 risk management committee meeting	1 risk management committee meeting	Not Achieved	3			Minutes of risk committee meetings Attendance registers
			Appoint risk management committee			Appoint risk management committee									
			Conduct Risk management committee			Conduct Risk management committee									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			meetings			meetings	ment workshop 1 meeting of the committee								
			Conduct risk assessment			Conduct risk assessment									
			Update risk register			Update risk register									
GG 06	IDP	To develop, review and implement a credible IDP that responds to the community	Development of the IDP Process Plan	Number of IDP's approved by Council within the timeframes	1 IDP	Development of the IDP Process Plan	Approval of the IDP Process Plan	Objectives and Strategies	Draft IDP	Final IDP	Achieved				Council resolution for IDP
			Solicit Ward Priorities			Solicit Ward Priorities	Situational Analysis								
			Convene the IDP Steering committee			Convene the IDP Steering committee									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		needs by June 2019	meetings			meetings									
			Convene the IDP Representative Forum meetings			Convene the IDP Representative Forum meetings									
			Convene the Strategic Planning			Convene the Strategic Planning									
			Prepare the Draft IDP			Prepare the Draft IDP									
			Conduct the IDP/Budget Roadshows			Conduct the IDP/Budget Roadshows									
			Prepare			Prepare									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			the Final IDP			the Final IDP									
GG 07	Public Participation	To enhance participation of community members in line with Section 72 of the Municipal Structures Act & Chapter 4 of the Municipal Systems	Drafting and Council adoption of a Ward Committee Policy. Development of the Public Participation Strategy Development and Review of a Ward committee support Plan	Number of Ward Committee Reports submitted to Council	4 Ward committee reports	Drafting and Council adoption of a Ward Committee Policy. Development of the Public Participation Strategy Development and Review of a Ward committee support Plan	1 ward committee report	1 ward committee report	1 ward committee report	1 ward committee report	Achieved				Ward Committee Reports Attendance registers to ward committee meetings

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence	
							Quarter 1	Quarter 2	Quarter 3	Quarter 4						
		Act by June 2019	Develop and Review Ward Committee Support Plan			Develop and Review Ward Committee Support Plan										
GG 08			Conduct the Skills Audit	Number of trainings conducted for ward committees	2 ward committee trainings	Conduct the Skills Audit	Establishment of the ward committees	Induction of ward committees	1 training of ward committee	1 training of ward committee	Achieved					Attendance registers Minutes of ward committee establishment Attendance register of induction session Attendance
			Draft Annual Training Plan			Draft Annual Training Plan										
			Conduct training			Conduct training										
			Coordinate Ward Committee meetings													
			Coordinate CDW's													

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			sittings												ce registers of trainings
			CLO reports to relevant portfolio committees and ward committees												
GG 09	Sports	To encourage sport development for socio-economic benefit of community	Ascertain data of affiliated and unaffiliated clubs.	Number of sport events organized	2 (1 X SALGA Games and 1 X Mayoral Cup)	Ascertain data of affiliated and unaffiliated clubs.	Database of all sport codes	Launch sport associations in 10 wards	1 X SALGA Games	1 X Mayoral Cup)	Achieved				Report on two events organized Attendance registers of participants
			Launching of sport associations per ward			Launching of sport associations per ward									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		members by June 2019.	Organize sport events from ward to district			Organize sport events from ward to district									
GG 10	Arts and Culture	To promote participation of communities in arts and culture programmes by June 2019.	Draft arts and culture framework.	Number of Arts and Culture programmes implemented	4 Arts and Culture programmes (Umkhosi Womhlanga, Umkhosi Woselwa,	Draft arts and culture framework.	Umkhosi Womhlanga Draft Arts and Culture Terms of Reference	Establishment of arts and culture committees Umkhosi Wokweshwama	1 Local arts and culture event (Umkhosi Wamagunu)	1 Local arts and culture event Umkhosi Woselwala	Achieved				Reports on the events organized Attendance registers
			Draft an establishment program.			Draft an establishment program.									
			Draft support plans			Draft support plans									
			Establish Arts and culture committees			Establish Arts and culture committees									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Commission on the collection of legend stories												
GG 11	Library services	To promote literacy of all community members by June 2019	Develop Annual calendar plan for school visits. Provision of Mobile Library Conduct outreach campaigns on library services Conduct library reading	Number of outreach programmes conducted	16 outreach programs (12 School visits and 4 awareness campaigns)	Develop Annual calendar plan for school visits. Provision of Mobile Library Conduct outreach campaigns on library services Conduct library reading	4 school visits and 1 awareness Campaign	4 school visits and 1 awareness campaign	4 school visits and 1 awareness campaign	4 school visits and 1 awareness campaign	Achieved				Report on 16 outreach programmes Attendance registers Stamped Letters

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			activities			activities									
			Provision of library materials			Provision of library materials									
			Conduct the career expo			Conduct the career expo									
GG 12	Road safety	To promote road safety to all road users by June 2019	Annual operational plan	Number of road safety programmes conducted	52 road safety programmes	Annual operational plan	12 road blocks conducted	12 road blocks conducted	12 road blocks conducted	12 road blocks conducted	Achieved				Statistics of cars stopped Report on the road safety programmes Attendance registers
			Solicit support and commitment from other stakeholders			Solicit support and commitment from other stakeholders	1 school visit	1 school visit	1 school visit	1 school visit					
			Issue Warrant of arrest			Conduct road safety									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Install speed cameras			school awareness campaigns									
			Conduct road safety school awareness campaigns												
GG 13	Testing centre (DLTC)	To promote public safety through issue of learners and driving licenses by June 2019.	To interphase with corporate Services to facilitate staffing.	Number of learners and drivers' PDP licenses issued	200 learners 500 PDP	To interphase with corporate Services to facilitate staffing.	20 learners licenses 100 PDP's	80 learners licenses 100 PDP's	70 learners licenses 100 PDP's	30 learners licenses 200 PDP's	Achieved				Enatis report on learners license Enatis report on PDP's
			Interphase with infrastructure to			Compile statistics on learners									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			prioritize roads construction at Mkuze.			license and PDP's issued									
			Compile statistics												
			Information sharing of the services of the DLTC												
GG 14	Testing centre (VTS)	To promote public safety to road users through vehicle testing for road	Drawing of Business Plan	Number of business plans drafted for the construction of VTS	1 Business plan	Drawing of Business Plan	-	-	Draft Business plan	Final Business plan	Achieved				Business plan document
			Solicit commitment of funding			Solicit commitment of funding									
			Construction of the			Construction of the									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		worth by June 2019	VTs			VTs									
GG 15	Disaster Management	To provide community safety through disaster management services by June 2019	Development of the Disaster Management Plan	Number of disaster management programmes conducted	4 programmes	Development of the Disaster Management Plan	Establishment of Disaster management forum	1 Disaster awareness campaign 1 arrive alive road safety campaign (festive season)	1 arrive alive road safety campaign (Easter holidays)	1 crime prevention awareness campaign	Achieved				Report of 4 disaster management programmes Statistics of vehicles inspected
			Establishment of the Disaster management forum			Establishment of the Disaster management forum									
			Solicit funding for construction of the Disaster Management Centre			Conduct awareness campaigns									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Procurement of Fire and Rescue truck and equipment												
			Conduct awareness campaigns												
GG 16	Animal Pound	To promote safety of road users through use of animal pound by June 2019.	Review and Gazzeting of the Pound By-law	Number of municipal pounds functional	1 (Jozini)	Review and Gazzeting of the Pound By-law	Conduct awareness campaign of usage of animal pound	Procurement of inputs (fodder and animal medication)	Procurement of the livestock in-transit truck	Procurement of inputs (fodder and animal medication)	Achieved				Report on the functionality of the animal pound
			Conduct outreach and awareness			Conduct outreach and awareness									

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			campaigns			campaigns									
			Procurement of Livestock-in-transit truck			Procurement of Livestock-in-transit truck									
			Rehabilitation of municipal pounding kraal			Enforcement of the Pound By-law									
			Enforcement of the Pound By-law												
GG 17	Cemeteries	To provide a formal and organized burial	Identification of suitable land	Number of municipal cemeteries	1 Mkhuze	Conduct social facilitation for identification of 4	Conduct social facilitation for identification of	Feasibility study	Environmental authorization	Development of designs for the cemetery sites	Achieved	Mkhuze Cemetery is fenced. Security guard is	The construction of Mkhuze Cemetery offices	To obtain funds to build offices and	Appointment letter Report on construct

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
		site for the benefit of communities in urban centres by June 2019	<div>Solicit approval from traditional leadership</div> <div>Review and Gazzeting of the Cemetery By-law</div> <div>Outreach and awareness plan on cemeterie</div>	developed		<div>sites (Jozini, Bhambana, Ndumo and Mkhuze)</div> <div>Engagement of DEA for Environmental Authorization</div>	land					built. Consulted is appointed to formalize three sites to establish cemeteries at Ndumo, Bhambana and Jozini	and Ablution was not achieved due to the delay on appointment of service provider.	Ablutions Facilities during the adjustment budget on February 2018	ion works Completion certificates.

IDP no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			s and cemetery tariff												

KPA 5: FINANCIAL VIABILITY AND MANAGEMENT

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
FV 01	REVE NUE	To increase revenue collectio n by 50% by 30 June 2019	Develop ment and impleme ntation of revenue enhance ment strategy. Conduct awarene ss campaig ns to the communi ties in towns stating the importan ce of paying	Percent age of revenue collecte d	40%	Develop ment and impleme ntation of revenue enhance ment strategy. Conduct awarene ss campaig ns to the communi ties in towns stating the importan ce of paying	15%	10%	8%	7%	Not Achiev ed	The revenue enhance ment strategy has been develop ed and passed through EXCO and waiting for council approval . Debt collector has been	The debt collector cannot use the current debtor's book as there is outstand ing informati on that is critical, for example physical address es of custome	A budget for data cleansing , R500,000 .00 has been provided and the Municipal ity will engage in data cleansing in the current year,201 7/2018 by Decembe r 2017.	Revenu e enhance ment strategy Council Resoluti on Report on revenue collecte d

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
			rates.			rates.						appointe d.4 out of 5 lease agreem ents have not yet been finalized	rs and ID number s of custome rs.		
			Appointm ent of the debt collector			Appointm ent of the debt collector						.	Incentiv e scheme s have been introduc ed. Awaren ess campaig ns did		
			Finalizati on of lease agreeme nts with Governm ent departme nts leasing office space in Ndumo			Finalizati on of lease agreeme nts with Governm ent departme nts leasing office space in Ndumo									

ID P no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
			Introduction of incentive schemes			Introduction of incentive schemes						not materialize as councillors need to be workshopped first.			
FV 02	SCM	To manage the acquisition, usage and disposal of goods and services in line with the	Review of the SCM Policy Development of procurement plans Workshop the end users about the important	Number of reports generated on acquisition, usage and disposal of assets	4 reports on acquisition, usage of goods and services	Review of the SCM Policy Development of procurement plans Workshop the end users about the important	1 report on acquisition, usage of goods and services	1 report on acquisition, usage of goods and services	1 report on acquisition, usage of goods and services	1 report on acquisition, usage of goods and services	Achieved	The procurement plan has been developed and bid committees were properly constituted	N/A	N/A	Procurement Plan Appointment of bid committee members Contracts register

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
		SCM Regulati ons by June 2019	ce of adherenc e to the procurem ent plans			ce of adherenc e to the procurem ent plans						ed in the year 2016/20 17. A contract register has been develop ed. A report on acquisiti on of goods and services has been compile d. UIFWE monthly			Report on the acquisiti on, usage and disposal of goods and services
			UIFWE Monthly reports			UIFWE Monthly reports									
			Appointm ent of Bid Committe es			Appointm ent of Bid Committe es									
			Training of Bid Committe es			Training of Bid Committe es									

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
												reports have been compile d. Bid committ ees were trained.			
FV 03	Expen diture	To manage payment of creditors within 30 days of receipt of valid tax invoices by June	Conduct awarene ss on the filing of the valid invoice through communi cation system Updated invoice register	Percent age of Creditor s paid within 30 days of receipt of a valid invoice	100%	Conduct awarene ss on the filing of the valid invoice through communi cation system Updated invoice register	100% within 30 days of receipt of a valid tax invoice	100% within 30 days of receipt of a valid tax invoice	100% within 30 days of receipt of a valid tax invoice	100% within 30 days of receipt of a valid tax invoic e	Achiev ed	Updated invoice register has been compile d. Paymen ts are made within 30 days of			Invoice Register Financia l Report (AFS)

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
		2019	Follow up on the disputed invoices			Follow up on the disputed invoices						receipt of invoice. Outstan ding invoices are followed up timely and hence all valid invoices are paid within 30 days			
			Follow up on outstandi ng orders			Follow up on outstandi ng orders									
						Reconcili ation of all payment s									
FV 04		To manage payment of 3rd party	Updated 3rd party register	Percent age of 3rd party payment	100% of 3rd party paymen ts on a	Updated 3rd party register	100% of 3rd party paymen ts on a	100% of 3rd party payments on a monthly	100% of 3rd party payment s on a monthly	100% of 3rd party paym ents	Achiev ed	Monthly payment s of third parties are			Third party register Financia l report
			Follow up on			Follow up on									

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
		payment s by June 2019	Payment s Reconcili ation of payment s	s done on a monthly basis	monthly basis	Payment s Payment of valid invoices and Reconcili ation of payment s	monthly basis	basis	basis	on a mont hly basis		made timeousl y.			(AFS)
FV 05		To curb irregular , unautho rized fruitless and wasteful expendit ure in line with the MFMA	Review Policy Worksho p staff on the policy Consequ ence manage ment Presentat ion to Council	Number of reports generat ed on irregular , unautho rized, unautho rized, fruitless and wasteful expendit	4 reports on irregular , unautho rized fruitless and wasteful expendi ture	Review Policy Worksho p staff on the policy Consequ ence manage ment Presentat ion to Council	1 report on irregula r, unautho rized fruitless and wastefu l expendi ture	1 report on irregular, unautho rized fruitless and wasteful expenditu re	1 report on irregular, unautho rized fruitless and wasteful expendit ure	1 report on irregu lar, unaut horize d fruitle ss and waste ful	Achiev ed	Monthly reports on UIFWE have been compile d.			Reports on irregular , unautho rized fruitless and wasteful expendit ure

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
		by June 2019		ure						expen diture					
FV 06	Financi al Plannin g	To manage ment municip al resourc es for increase d account ability by June 2019	Prepare set of financial statemen t in full complan ce with legislatio n and GRAP standard s.	Audit opinion obtained from the Auditor General on the AFS	Unqualif ied	Prepare set of financial statemen t in full complan ce with legislatio n and GRAP standard s.	Draft Financi als of the previou s financia l year - 2015/20 16	2015/201 6 Unqualifie d Audit Opinion Quarter 1 - Section 52d report	Quarter 2 - Section 72 report	Quart er 3 - Secti on 52d report	Achiev ed	Draft Financia l Stateme nts and eventual ly final AFS were prepare d in the first quarter. We received an unqualifi ed audit opinion. The section			Annual Financia l stateme nts Section 52d report X 3 Section 72 report
			Prepare Section 21 MTERF			Prepare Section 21 MTERF									
			Prepare Section 72 Mid- year budget			Prepare Section 72 Mid- year budget									

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
			and performa nce assessm ent report. Submit Section 71, 21, 28 and 72 to IT for website update			and performa nce assessm ent report. Submit Section 71, 21, 28 and 72 to IT for website update						72 report was prepare d and approve d by council by the 31 st of January 2017.Se ction 52 report has been compile d and approve d by council,			
FV 07		To produce	Develop Budget	Timefra me by	Within 30 days	Develop Budget	Budget process	Capex and Opex	Draft Budget	Final Budg	Achiev ed	The final budget			Budget Process

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
		a credible budget as a financial planning tool of the municip ality by June 2019	Process Plan	which the final budget is approve d	of the start of the next financial year	Process Plan	plan	linked to Objective s and Strategies		et appro val		was approve d on the 31st of May 2017.			Plan Council Resoluti on X 3 Draft Budget Final Budget
			Appointm ent of the service provider to prepare conversio n of chart of accounts			Appointm ent of the service provider to prepare conversio n of chart of accounts									
			Conduct Worksho ps on MSCOA			Conduct Worksho ps on MSCOA									
			Prepare MSCOA Complian t Draft Budget			Prepare Draft Budget									
			Conduct Budget			Conduct Budget									

ID P no.	Priorit y Area	Objecti ve	Strategie s	Key Perform ance Indicato r	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achiev ed/Not Achiev ed	Actuals	Reason for non- achieve ment	Correctiv e Measure	Portfoli o of Evidenc e
							Quarter 1	Quarter 2	Quarter 3	Quart er 4					
			roadsho ws			roadsho ws									
			Prepare Section 72 Mid- year budget and performa nce assessm ent report.			Prepare Section 72 Mid- year budget and performa nce assessm ent report.									
			Section 28 Adjustme nt budget			Section 28 Adjustme nt budget									
			Prepare MSCOA Complian t Final Budget			Prepare MSCOA Complian t Final Budget									

ID P no.	Priority Area	Objective	Strategies	Key Performance Indicator	Annual Target 2016-2017	Activities	QUARTERLY MILESTONES				Achieved/Not Achieved	Actuals	Reason for non-achievement	Corrective Measure	Portfolio of Evidence
							Quarter 1	Quarter 2	Quarter 3	Quarter 4					
FV08			Issue expenditure trends report	Percentage of budget spent on Capex and Opex	100% of Capex and Opex	Issue expenditure trends report	10% expenditure on Capex and Opex	30% expenditure on Capex and Opex	30% expenditure on Capex and Opex	30% expenditure on Capex and Opex	Not Achieved	CAPEX = 67% OPEX = 83.42%	Conditions on Capex and Opex were never 100% percent met however the municipality managed to make 84% on INEP and 94% on MIG	Application of roll over will be made	Quarterly expenditure reports on Opex and Capex AFS
			Compile conditional grants expenditure reports			Compile conditional grants expenditure reports									
			Reconcile expenditure information			Reconcile expenditure information									

KPA 6: SPATIAL PLANNING (CROSS CUTTING)

ID P no.	Priority Area	Objecti ve	Strategi es	Key Performa nce Indicator	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achieve d/Not Achieve d	Actual s	Reason for non- achieve ment	Correcti ve Measur e	Portfol io of Eviden ce
							Quarter 1	Quarter 2	Quarte r 3	Quarte r 4					
SP 01	Spatial Plannin g and land use manage ment	To achieve a sustaina ble and Controll ed develop ment in line with Spatial Plannin g and Land Use Manage ment Act16 of 2013 by June 2019.	Conduct Land audit to ascertain ownershi p Preparati on of the SDF that is aligned with the IDP and in line with the new Planning legislatio n (SPLUM A)	Number of land use managem ent strategies approved and implemen ted	1 Spatial Develop ment Framew ork	Terms of referenc e for the service provider Establish ment of the PSC	Appoint ment of the service provider	Situatio nal Analysis report	Draft SDF	Final SDF	Not Achieved	There is a draft status quo report for the SDF	There were delays in the appoint ment of Service Provider.	The draft SDF to be develop ed and worksho pped to the Council. Conduct public participa tion. Adoptio n by Council.	Final SDF Council Resolut ions for draft and final SDF

ID P no.	Priority Area	Objecti ve	Strategi es	Key Performa nce Indicator	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achieve d/Not Achieve d	Actual s	Reason for non- achieve ment	Correcti ve Measur e	Portfol io of Eviden ce
							Quarter 1	Quarter 2	Quarte r 3	Quarte r 4					
SP 02			Preparin g the Draft Land Use Manage ment By- law	Number of land use managem ent by- laws approved, gazetted and implemen ted	1 Land Use Manage ment By-law	Preparin g the Draft Land Use Manage ment By- law	Draft Land use manage ment By-law	Road Shows on the draft by- law	Counci l Approv al of the Draft By-law	Gazetti ng of the By- law	Achieved	The by- laws were adopte d by the Council and gazette in March 2016 in the provinci al gazette.			Council Resolut ion Proof of gazetti ng
			Presenta tion and Approval of the by-law by Council			Presenta tion and Approval of the by-law by Council									
SP 03			Preparin g the Draft Building Regulati ons By- law	Number of building regulation s by-laws approved	1 Building Regulati ons By- law	Preparin g the Draft Building Regulati ons By- law	Draft Building Regulati ons By- law	Road Shows on the draft by- law	Counci l Approv al of the Draft By-law	Gazetti ng of the By- law	Not Achieved		Delays in appoint ment of Service Provider, due to	Re- advertis e for the tender.	Draft Buildin g Regulat ions By-law Minute

ID P no.	Priority Area	Objecti ve	Strategi es	Key Performa nce Indicator	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achieve d/Not Achieve d	Actual s	Reason for non- achieve ment	Correcti ve Measur e	Portfol io of Eviden ce
							Quarter 1	Quarter 2	Quarte r 3	Quarte r 4					
			Presenta tion and Approval of the by-law by Council			Presenta tion and Approval of the by-law by Council							non- respons e of suitable qualify professi onals to develop the bylaws.		s of roadsh ows Attenda nce register s Council Resolut ion Proof of gazetti ng
SP 04			Engage the District Municipa lity: DPSS- GIS Unit	Number of GIS Upgraded	1 Geograp hic Informati on System	Engage the District Municipa lity: DPSS- GIS Unit	Signed MOU	Procure ment of licenses	Upgrad ing of the GIS	Testing and training of users	Not achieved		Delays in procumb ent.		MOU with the DPSS- GIS Unit Attenda nce register s for
			Draft MOU			Draft MOU									

ID P no.	Priority Area	Objecti ve	Strategi es	Key Performa nce Indicator	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achieve d/Not Achieve d	Actual s	Reason for non- achieve ment	Correcti ve Measur e	Portfol io of Eviden ce
							Quarter 1	Quarter 2	Quarte r 3	Quarte r 4					
			Procure ment of licenses			Procure ment of licenses									the training conduc ted Testing report on the GIS
			Update informati on on the GIS			Update informati on on the GIS									
SP 05	Housing	To provide access to human settleme nt for the benefit of communi ty member s by June	Appoint ment of a service provider to review. Review of the Housing Sector Plan	Number of human settlemen ts projects under implemen tation monitored	3 (Ndumo CRU's, KwaJob e Rural Housing , Ward 5 housing	Appoint ment of a service provider to review. Review of the Housing Sector Plan	Site inspecti ons in 3 projects (Ndumo CRU's, KwaJob e Rural Housing , Ward 5 housing	Site inspecti ons in 3 projects (Ndumo CRU's, KwaJob e Rural Housing , Ward 5 housing	Site inspecti ons in 3 project s (Ndum o CRU's, KwaJo be Rural Housin g, Ward 5	Site inspecti ons in 3 project s (Ndum o CRU's, KwaJo be Rural Housin g, Ward 5	Achieved	Site inspecti ons done for all projects under constru ction (Ndumo Cru and KwaJob e Housin g		Benefic iary list Housin g Sector Plan, 	

ID P no.	Priority Area	Objecti ve	Strategi es	Key Performa nce Indicator	Annual Target 2016- 2017	Activitie s	QUARTERLY MILESTONES				Achieve d/Not Achieve d	Actual s	Reason for non- achieve ment	Correcti ve Measur e	Portfol io of Eviden ce
							Quarter 1	Quarter 2	Quarte r 3	Quarte r 4					
		2019.							housin g	housin g		Phase 2. Ward 05 housing waiting for renewal of contract for service provide r from Depart ment of Human settlem ents			
			Conduct beneficia ry administr ation including priority list			Conduct beneficia ry administr ation including priority list				Housin g Sector plan					

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION

A. INTRODUCTION TO MUNICIPAL PERSONNEL

4.1. EMPLOYEE TOTALS

Employees					
Description	2015/16	2016/17			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Strategic and Development Planning	3				
Finance	5				
Corporate Services	6				
Community Services	5				
Technical Services	2				
Office of the Municipal Manager	4				
Totals	25				

Vacancy Rate: 2016/17			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	1	0
CFO	1	1	100%
Other S57 Managers (excluding Finance Posts)	4	3	75%
Other S57 Managers (Finance posts)	0	0	0
Traffic officers	10	5	
Fire fighters	8	0	
Senior management: Levels 13-15 (excluding Finance Posts)	18	4	
Senior management: Levels 13-15 (Finance posts)	3	0	
Highly skilled supervision: levels 9-12 (excluding Finance posts)	19	15	
Highly skilled supervision: levels 9-12 (Finance posts)	4	3	
Total	68	32	

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
Year -2			
Year -1			
2016/17	19	2	0.10
			T 4.1.3

COMMENT ON VACANCIES AND TURNOVER

The turnover rate of the Municipality remains low however the employment rate and high vacancy rate.

B. MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE

The Municipal Manager and Directors are appointed on a fixed term contract in terms of Section 56/57 of the Municipal Systems Act 32 of 2000. The financial year commenced with the following senior positions being vacant:

- Chief Financial Officer
- Director: Strategic and Development Planning Services
- Director: Community Services
- Director: Technical Services

Employment contracts and performance agreements were in place for the Acting Municipal Manager and all Directors reporting to the Municipal Manager.

Number of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0
	Male	0
Senior management (Levels 13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exists
Community	2	01/06/2017	3	Shortage in TLB
				T 4.6.4

4.2. POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action			
2	Attraction and Retention		X	
3	Code of Conduct for employees		X	
4	Delegations, Authorisation & Responsibility			
5	Disciplinary Code and Procedures		X	
6	Essential Services			
7	Employee Assistance / Wellness	X		
8	Employment Equity		X	
9	Exit Management	X		
10	Grievance Procedures		X	
11	HIV/Aids			
12	Human Resource and Development			
13	Information Technology			
14	Job Evaluation	X		
15	Leave		X	
16	Occupational Health and Safety		X	
17	Official Housing			Conditions of service
18	Official Journeys			
19	Official transport to attend Funerals			
20	Official Working Hours and Overtime	X		
21	Organisational Rights			Conditions of service
22	Payroll Deductions			
23	Performance Management and Development		X	
24	Recruitment, Selection and Appointments		X	
25	Remuneration Scales and Allowances			
26	Resettlement			
27	Sexual Harassment		X	
28	Skills Development			
29	Smoking			
30	Special Skills			

31	Work Organisation			
32	Uniforms and Protective Clothing			
<i>Use name of local policies if different from above and at any other HR policies not listed.</i>				<i>T 4.2.1</i>

COMMENT ON WORKFORCE POLICY DEVELOPMENT

We have not reviewed any workforce related policies in the year under review.

4.3. INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	52	3	1.5	14	0
Temporary total disablement	0	0	0	0	0
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	52	3		14	
					<i>T 4.3.1</i>

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	58	0	39	73	3	R1 079.83
Skilled (Levels 3-5)	113	0	23	42	5	R2 307.34
Highly skilled production (levels 6-8)	45	0	17	47	3	R1 245.96
Highly skilled supervision (levels 9-12)	12	0	2	6	2	R2 030.46
Senior management (Levels 13-15)	90	0	8	15	3	R5 537.61
MM and S57	28	0	1	4	2	R8 214.12
Total	344	0	90	187	17	R20 415.32

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalized	Date Finalized
Executive Director: Corporate	Ghost employees	01/12/2016	There was no disciplinary hearing	01/03/2017

Disciplinary Action Taken on Cases of Financial Misconduct				
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised	
Executive Director: Corporate Services	Creation of ghost employees	Suspended	30 / 03/2017	
HR Manager	Creation of ghost employees	Disciplinary hearing	Still pending	

COMMENT ON CASES OF FINANCIAL MISCONDUCT

The Executive Director Corporate Services' matter was never finalised and has since left the employ of the Municipality. The HR Manager matter remains pending. The DC has set and awaiting judgement.

C. CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Management level	Gender	Employees in post undergone training	Number of skilled employees required and actual as at 30 June 2017 Year 0											
			Learnership			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year -1 15/16	Actual: End of Year 0 16/17	Target: Year 0 16/17	Actual: End of Year -1 15/16	Actual: End of Year 0 16/17	Target: Year 0 16/17	Actual: End of Year -1 15/16	Actual: End of Year 0 16/17	Target: Year 0 16/17	Actual: End of Year -1 15/16	Actual: End of Year 0 16/17	Target: Year 0 16/17
MM and s57	Female		0			0			0			0		
	Male		0			5			0			5		
Councillors, senior officials and managers	Female		0			14			0			14		
	Male		0			42			0			42		
Technicians and associate professionals*	Female		0			10			0			10		
	Male		0			10			0			10		
Professionals	Female		0			0			0			0		
	Male		0			0			0			0		
Sub total	Female		0			0			0			0		
	Male		0			0			0			0		
Total			0			81			0			81		

*Registered with professional Associate Body e.g. CA (SA)

T 4.5.1

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	1			1		
Chief financial officer	0					
Senior managers	2			1		
Any other financial officials	15			13		
Supply Chain Management Officials	7			5		
Heads of supply chain management units						
Supply chain management senior managers	1			1		
TOTAL	26			21		

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

D. MANAGING THE WORKFORCE EXPENDITURE

The workforce expenditure has been underspent for the year and the previous years as a result of the high vacancy rate and the non-filling of positions in the approved structure. The municipality however does not spend on the workforce outside the approved structure. Our workforce expenditure is intricately linked to the staff development initiatives in a quest to maximize value for money in the workforce expenditure.

WORKFORCE EXPENDITURE TRENDS (MBRR SA22)

YEAR	BUDGET
Year -2: 2014/15	R44 453 784 / R8 171 182
Year -1: 2015/16	R48 865 313 / R10 604 239
Year 0: 2016/17	R58 931 021 / R10 369 882

N.B. Highlighted in yellow is the councilors.

Number of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded

Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels9-12)	Female	0
	Male	0
Senior management (Levels13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0
T 4.6.2		

Employees Whose Salary Levels Exceed the Grade Determined by Job Evaluation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation

Employees appointed to posts not approved

Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exists
Community	2	01/06/2017	3	Shortage in TLB
T 4.6.4				

DISCLOSURES OF FINANCIAL INTERESTS

Declaration forms were issued to all officials and councilors for the 2016/17 financial year. They all completed the forms and were signed by the Commissioner of Oaths and stamped. The forms are kept in Human resource office.

CHAPTER 5: FINANCIAL PERFORMANCE

INTRODUCTION

The financial performance reflect a Surplus of R 21,386, this is due to an increase in revenue collection (Investment Revenue and Other income. This was offset by an increase/decrease in expenditure owing to increase/decrease in Finance Charges Debt impairment and Other Expenditure.

A. STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The financial performance reflect a surplus of R21 million

KZN272 Jozini - Reconciliation of Table A1 Budget Summary

Description	2015/16	Budget Year 2016/17									
	Audited Outcome	Original Budget	Budget Adjustment	Final Adjustment budget	Shifting of funds	Virement	Final Budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
R thousands											%
<u>Financial Performance</u>											
Property rates	23,884	25,134	418	25,552	–	–	25,552	25,528	24	100%	102%
Service charges	5,080	3,512	(69)	3,442	–	–	3,442	3,674	(232)	107%	105%
Investment revenue	1,609	1,672	1,221	2,893	–	–	2,893	4,387	(1,495)	152%	262%
Transfers recognised – operational	108,789	142,067	500	142,567	–	–	142,567	141,637	930	99%	100%
Other own revenue	9,994	9,739	9,319	19,058	–	–	19,058	16,400	2,658	86%	168%
Total Revenue (excluding capital transfers and contributions)	149,357	182,124	11,389	193,512	–	–	193,512	191,627	1,886	99%	0
Employee costs	35,261	42,803	6,864	49,666	–	–	49,666	50,599	(932)	102%	118%
Remuneration of Councillors	11,701	11,949	–	11,949	–	–	11,949	10,070	1,879	84%	84%
Depreciation & asset			7,891	21,625						73%	115%

impairment	11,055	13,734			–	–	21,625	15,842	5,783		
Finance charges	–	–	–	–	–	–	–	550	(550)	0%	–
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	0%	–
Transfers and grants	500	529	(377)	152	–	–	152	–	152	0%	–
Other expenditure	78,350	98,093	(996)	97,097	–	–	97,097	104,303	(7,206)	107%	106%
Total Expenditure	136,867	167,108	13,382	180,490	–	–	180,490	181,364	(874)	100%	109%
Surplus/(Deficit)	12,489	15,016	(1,993)	13,023	–	–	13,023	10,263	2,760	79%	68%
Transfers recognised - capital	31,916	51,213	–	51,213	–	–	51,213	50,190	1,023	98%	98%
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–	0%	–
Surplus/(Deficit) after capital transfers & contributions	44,405	66,229	(1,993)	64,236	–	–	64,236	60,453	3,783	94%	91%
Share of surplus/ (deficit) of associate	–	–		–	–	–	–	–	–	0%	–
Surplus/ (Deficit) for the year	44,405	66,229	(1,993)	64,236			64,236	60,453	3,783	94%	91%
											–
<u>Capital expenditure & funds sources</u>											–
Capital expenditure				63,809						77%	

	60,657	66,229	(2,420)		–	–	63,809	48,951	11,709		0
Capital transfers recognised			–	51,213						96%	96%
	31,600	51,213			–	–	51,213	48,951	2,262		
Public contributions & donations			–	–						0%	
	–	–			–	–	–	–	–		–
Borrowing			–	–						0%	
	–	–			–	–	–	–	–		–
Internally generated funds				12,596						0%	
	29,057	15,016	(2,420)		–	–	12,596	–	9,447		–
Total sources of capital funds				63,809						77%	74%
	60,657	66,229	(2,420)		–	–	63,809	48,951	11,709		
											–
											–
<u>Cash flows</u>											–
Net cash from (used) operating			9,789	76,207						133%	152%
	38,560	66,419			–	–	76,207	101,210	(25,002)		
Net cash from (used) investing			5,610							81%	74%
	(60,973)	(66,229)		(60,619)	–	–	(60,619)	(48,951)	(11,668)		
Net cash from (used) financing			–	–						0%	
	23,400	–			–	–	–	(140)	–		–
Cash/cash equivalents at the month/year end			11,970	22,698						329%	352%
	9,628	21,182			–	–	22,698	74,627	(51,929)		

KZN272 Jozini - Financial Performance (standard classification)

Description	Ref	2015/16	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Actual	Variance on Original Budget	Variance on Adjustment s Budget	Variance % Original Budget	Variance % Adjustment s Budget
R thousands	1								%
<u>Operating Cost</u>									
Executive Council		17,667	18,564	18,047	15,638	(2,926)	(2,409)	-16%	-13%
Management		7,814	8,670	7,719	7,367	(1,303)	(352)	-15%	-5%
Budget & Treasury Office		31,255	40,058	51,933	62,592	22,534	10,659	56%	21%
Waste Management		9,314	4,579	5,872	3,309	(1,270)	(2,563)	-28%	-44%
Corporate Services		16,311	19,754	18,498	34,301	14,546	15,803	74%	85%
Component A: sub-total		82,361	91,625	102,069	123,206	31,581	21,137	71%	44%
Waste Water (Storm water Drainage)		–	–	–	–	–	–	0%	0%
Technical Services		6,929	9,631	8,284	5,497	(4,134)	(2,787)	-43%	-34%

Transport		–	–	–	–	–	–	0%	0%
Component B: sub-total		6,929	9,631	8,284	5,497	(4,134)	(2,787)	-43%	-34%
Planning		1,702	3,143	4,540	1,779	(1,364)	(2,761)	-43%	-61%
Local Economic Development		–	–	–	–	–	–	0%	0%
Component B: sub-total		1,702	3,143	4,540	1,779	(1,364)	(2,761)	-43%	-61%
Planning (Strategic & Regulatory)		–	–	–	–	–	–	0%	0%
Local Economic Development		–	–	–	–	–	–	0%	0%
Component C: sub-total	2	–	–	–	–	–	–	–	–
Community & Social Services		36,937	52,442	45,371	45,459	(6,982)	88	-13%	0%
Environmental Protection		–	–	–	–	–	–	0%	0%
Health		–	–	–	–	–	–	0%	0%
Public Safety		8,938	10,267	16,547	5,422	(4,844)	(11,125)	-47%	-67%
Sport and Recreation		–	–	–	–	–	–	0%	0%
Corporate Policy Offices and Other		–	–	–	–	–	–	0%	0%

			–	–	–	–			
Component D: sub-total		45,875	62,708	61,919	50,882	(11,827)	(11,037)	-19%	-18%
Total Expenditure – Standard	3	136,867	167,108	176,812	181,364	14,256	4,552	-34%	-68%

COMMENT ON FINANCIAL PERFORMANCE

The financial performance reflect a surplus of R21 million.

5.2. GRANTS

Grant Performance						
R' 000						
Description	Year - 2015/16	Year 2016/7			Year 0 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<u>Operating Transfers and Grants</u>						
National Government:	140,792	140 008	140 008	140 008		
Local Government Equitable Share	136,441	134 845	134 845	134 845	100%	100%
Finance Management	1,800	1 825	1 825	1 825	100%	100%
Municipal Systems Improvement	652	0.00		00		
EPWP Incentive	1,899	3 338	3 338	3 338	100%	100%
Provincial Government:	1,126	1 016	1 016			
Library Grant	1,126	1 016	1 016	1 013	98%	98%
District Municipality:	-					
Other grant providers:	-					
	-					
Total Operating Transfers and Grants	141,918	141 042	141 024	141 021	99%	99%

COMMENT ON OPERATING TRANSFERS AND GRANTS

The municipality utilised 99% of operating transfers and grants effectively during the 2016/2017 financial year, in terms of the conditions as prescribed by National, Provincial and Local Government.

5.3. ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Assets are managed and maintained by the Directorate under which they resort and provision is made under their respective operational budgets for maintenance over the life cycle of the asset.

The municipality has revised its asset management policy during the 2015/16 financial year to ensure that it complies with the accounting standards. The Asset management section in the Budget and Treasury office is responsible for maintaining the fixed asset register, annual asset counts, capturing of newly acquired assets on the asset register and the removal of obsolete or written off and disposed assets from the asset register. The asset management unit is currently understaffed as it has only one personnel responsible for asset management; however the municipality plans to have more personnel in this section to ensure compliance with accounting standards.

Due to staff shortage in the asset management section, the municipality has outsourced asset management during 2016/17 to ensure that all necessary activities as prescribed I GRAP 17 and on the asset management policy are complied with.

The Municipality's asset register is compliant with GRAP 17 and is linked to the Municipality's financial system Pastel Evolution.

Repairs and Maintenance Expenditure: Year 2016.17				
	Original Budget	Adjustment budget	Actual	Budget variance
Repairs and maintenance expenditure	11,684	12,684	6 559	6 125

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE

The Repairs and maintenance expenditure was R6 559 million compared to the Budget of R12 684 million

5.4. FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Jozini municipality makes use of a number of operating ratios and indicators to enable to benchmark financial performance. The following are of particular importance:

5.4.1 LIQUIDITY

The liquidity ratio is calculated on the basis of current assets divided by current liabilities. The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2016/17 financial year the total current assets were R112 888 803 compared to current liabilities of R32 406 158

B. SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The total capital budget for 2016/17 financial year was R79 723 million. During the adjustment budget, this amount was decreased to R78988 The actual expenditure at the end of the year was R58615.

5.5. CAPITAL EXPENDITURE

Total Capital Expenditure: Year -2 to Year 0			
			R'000
Detail	Year -2	Year -1	Year 0
Original Budget	71450	72247	79723
Adjustment Budget	71450	66229	78988
Actual	50419	48404	58615

5.6 SOURCES OF CAPITAL FINANCE

The capital expenditure funding sources were the following:

- Municipal Infrastructure Grant (MIG)
- Integrated National Electrification Grant (INEG)
- Own Revenue

5.7. CAPITAL SPENDING ON 5 LARGEST PROJECTS

The following are the five (5) largest capital expending projects.

1. Zineshe electrification R 15 177 086.14
2. Bhambanana taxi rank R 10 263908.45
3. KwaJona Community Hall R 7 835 476.34
4. Ingwavuma electrification R 7 170 559.01
5. Mahlabeni community hall R 5 493 609.84

Photos for Capital Projects



Biva Community Hall



Mfingosi Community Hall



Cezwana Youth Centre



Machibini Community Hall



Ngonyameni Hall



Jozini Municipal Offices



Mkuze Roads

5.8. BASIC SERVICE INFRASTRUCTURE AND BACKLOGS- OVERVIEW

The municipality has infrastructure development backlogs and therefore commits itself to reduce backlogs by 2030. The municipality has on annual basis allocated budget from the equitable share, MIG and INEG to address the backlog relating to basic services and infrastructure.

COMMENT ON BACKLOGS:

MIG has been designed to fund projects that are related to reduction of service backlogs. During the 2016/17 financial year the MIG was R38 707 749 which has been expended at 94% in construction of the community halls, taxi ranks and sports field.

CASH FLOW MANAGEMENT

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow management is crucial to any operation since it creates a culture of procuring goods and services as and when they are needed not to buy without a plan. It is for this reason that procurement plans are requested from all departments at a budget preparation stage to ensure that our cash flow is aligned with the needs of respective departments. During the year the cash flow of the municipality was under pressure due to some capital projects being funded from equitable share and reserves.

5.9. CASH FLOW

Cash Flow Outcomes				
R'000				
Description	Year - 2014.15	Current: Year 2015.16		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	38,027	16,931	30,253	20,978
Government - operating	87,400	142,067	142,567	141,508
Government - capital	38,698	51,213	51,213	51,213
Interest	2,011	1,672	2,891	9,916
Dividends	–	–	–	
Payments				
Suppliers and employees	(122,338)	(144,821)	(150,716)	(122,405)
Finance charges	(125)	(114)	–	–
Transfers and Grants		(529)	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	43,673	66,419	76,207	101,210
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	
Decrease (increase) other non-current receivables	–	–	–	
Decrease (increase) in non-current investments	–	–	–	
Payments				
Capital assets	(46,356)	(66,229)	(60,619)	(48,951)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(46,356)	(66,229)	(60,619)	(48,951)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	
Borrowing long term/refinancing	–	–	–	
Increase (decrease) in consumer deposits	18	–	–	–
Payments				
Repayment of borrowing	–	–	–	(140)
NET CASH FROM/(USED) FINANCING ACTIVITIES	18	–	–	(140)
NET INCREASE/ (DECREASE) IN CASH HELD	(2,665)	190	15,589	52,119
Cash/cash equivalents at the year begin:	8,746	29,571	8,641	22,508
Cash/cash equivalents at the year end:	6,081	29,761	24,230	74,627

COMMENT ON CASH FLOW OUTCOMES:

The deteriorating debtor's collection also had an effect on the cash flow from operating activities which has resulted on the bank balance at the end of the financial year.

5.10. BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

The Municipality did not have any borrowings during the year under review and had a balance of R7 213 776 on investments at 30 June 2017.

The investments were Due to the All investments held by the municipality were depleted and as a result of the dire financial situation experienced by the municipality, no additional funding was available for investment as at the end of 30 June 2017.

C. OTHER FINANCIAL MATTERS

5.12. SUPPLY CHAIN MANAGEMENT

The Municipality has a Supply Chain Management Unit in place, however the structure does not give effect to all six areas of SCM namely demand, acquisition, logistics, disposal and performance/contract management. The Municipality did not have a fully functional Bid Committee System in place due to vacant positions of senior officials. No Councilor is a member of any committee handling SCM processes. SCM officials have reached the required prescribed levels for their positions and one is still busy and has not yet reached the necessary competency level.

5.13 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

Jozini municipality has fully implemented the standards of Generally Recognised Accounting Practice and has reported in terms of these accounting standards for the year ended 2016/17.

CHAPTER 6: AUDITOR GENERAL'S FINDINGS

INTRODUCTION

The financial statements were audited by the Auditor-General in terms of section Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA). The results are therefore included below.

Jozini Municipality has received an Unqualified Audit Opinion in the 2016/2017 financial year which is in improvement on the previous years 'audit (2015-2016) which was a Qualified Audit Opinion.

Below is an action plan to address all Auditor General Findings as per the management report.

AUDIT ACTION PLAN

No.	Annexure B	Criteria	AGSA Finding	Internal Control Deficiency	Management response	Remedial action required	Responsibility	Due date	Progress as at 30 November 2017	Status
1.1.	Accrual discrepancies	Section 122 (1) of the Municipal Finance Management Act (MFMA) states that every Municipality must for each financial year prepare annual financial statements which-(a) fairly present activities, the state of affairs of the municipality, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year its financial results, and its financial position as at the end of the financial year	During the casting and agreeing the annual financial statements to the supporting schedules (Accrual listing) the following discrepancies were identified. 1. The accrual amount has not been separately disclosed in the Annual Financial statements and has not been referenced to a note.	Management did not exercise adequate reviews on the work done by the consultants on preparation of financial statements.	Management notes the finding however accruals are disclosed in the face of statement of financial position and notes as payables from exchanged transactions.	Accrual listing will be accurately disclosed in the set of interim Financial statements	Finance Manager	28-Feb-17	No progress at hand	Not yet resolved

1.3.	Cash and cash equivalents difference	<p>In terms of section 122(1) (a) & (b) of the Municipal Finance Management Act: Every municipality must for each financial year prepare annual financial statements which:</p> <p>Every municipality must for each financial year prepare annual financial statements which:</p> <p>a) fairly presented the state of affairs of the municipality, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year.</p> <p>b) Included the required disclosures.</p>	<p>Upon review of the financial statements and per inspection of the general ledger and bank confirmations the following differences have been noted: 1. Differences disclosed in the AFS</p> <p>Balance as per cash book in GL 56 962 756,77</p> <p>Balance as per AFS cash book on page 56 887 778,00</p> <p>Difference 74 978,77</p> <p>Total as per note 11 summary 56 964 440,00</p> <p>Total as per note 11 details 56 889 281,00</p> <p>Difference 75 159,00</p> <p>The difference is as a result of the ABSA cheque account. 2. Upon further review of the ABSA bank cheque account the following difference has been noted: refer to page 47 of the final Management letter.</p>	Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	Management notes the finding and will amend AFS on the cash flow disclosure the discrepancies on ABSA is a result of outstanding payments not yet recognised by bank, and the discrepancy on STD may be caused by timing difference, the municipality is in hold of the statement that reflects the exact balance which also reflects in the AFS	Management will ensure accurate disclosure of Cash and cash equivalent starting from the interim Financial Statements to be prepared towards the end of February 2018	Finance Manager	28-Feb-18	No progress at hand	Not yet resolved
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1.4.	Employee files and contracts for EPWP general works not received	<p>1. In terms of section 62 of the Municipal Finance Management Act, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards.</p> <p>2. In terms of section 19 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), "An auditee must render all reasonable assistance to the Auditor-General or the authorised auditor performing the audit to enable the Auditor-General or authorised auditor to complete the audit within any applicable timeframes."</p>	During the audit employee files and contracts for EPWP workers were not received and this resulted in a limitation of scope. Refer to page 49 to 50 of the final management letter.	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.	Finding noted. Management will provide the contracts for the above-mentioned employees.	Management should ensure not to make awards to a supplier in which an employee/contractor of the municipality has interest by ensuring a consistent review and monitoring of compliance with the applicable laws and regulations. The above transactions must be disclosed as irregular expenditure in the financial statements.	SCM Manager	31-Dec-17	Employees who refused to sign agreements were not paid their salary from the month of November	Partly resolved
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		3. Furthermore, on paragraph 42 of the engagement letter for the 2016-2017 audit, it was agreed with management that "All documentation and information in support of the financial statements, the annual performance report and compliance with legislation must be available on request and be retrievable within a reasonable time, which should not exceed two (2) working days								
1.5.	Debtors being charged rates after rates clearance certificate issued for sale of property	<p>Section 122 (1) of the Municipal Finance Management Act (MFMA) states that every Municipality must for each financial year prepare annual financial statements which-</p> <p>fairly present activities, the state of affairs of the municipality, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business</p> <p>(a) activities, its financial results, and its financial position as at the end of the financial year its financial results, and its financial position as at the end of the financial year.</p>	During the audit of the receivables it was noted that the following debtors are being charged rates even though their properties have been sold and rates clearance certificates have been issued. The new owners are not being charged rates: refer to page 52 of the Final Management letter	Management does not update the Debtor Age Analysis after the Debtor has sold the property and has settled the amounts owing to the Municipality for rates.	Finding noted, however management waits for the deal of sale before changing the owner of the property on the system and that is submitted by lawyers to the Municipality and serves as a legal proof that there is a	A follow up from AG will be made. Management will ensure the receipt of attorneys' order that the property is now belonging to the new owner.	SCM Manager	30-Jun-18	No progress at hand	Not yet resolved

		In terms of section 62(1)(c)(i) of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.			change of ownership.					
1.6.	Receivable discrepancies	Paragraph 62-63 of the Generally Recognised Accounting Practice (GRAP1) states that	During the audit of the annual financial statement disclosures it was noted that the distinction between current and non-current receivable for the following categories had not been disclosed and all were classified as current even though balances had been outstanding for a period of more than 12 months:	Management did not exercise adequate reviews on the work done by the consultants on preparation of financial statements and did not ensure that all the requirements of GRAP have been	Management will amend the Financial Statements.	Management will engage in the process of preparing supported set of interim financial Statements and proper reviews will be exercised from the office of the internal audit	The Municipal Manager	28-Feb-18	No progress at hand	Not yet resolved

		(62) An entity shall present current and non-current assets, and current and non-current liabilities, as separate classifications on the face of its statement financial position in accordance with paragraphs .68 to .78 except when a presentation based on liquidity provides information that is reliable and more relevant. When that exception applies, all assets and liabilities shall be presented broadly in order of their liquidity.	(a) Staff Debtors and	met.						
		(63) Whichever method of presentation is adopted, for each asset and liability line item that combines amounts expected to be recovered or settled (a) no more than twelve months after the reporting date; and (b) more than twelve months after the reporting date, an entity shall disclose the amount expected to be recovered or settled after more than twelve months.	(b) Councillor Debtors							
1.7.	Limitation of scope – HR management	In terms of Public Audit Act:	During the audit of HR compliance, the following information was not submitted for audit and this has resulted in a limitation:	Management did not implement proper record keeping in a	The required personal file was submitted to forensic	Management will ensure the availability of all personal files in the	The Municipal Manager	30-Jun-18	No progress at hand	Not yet resolved

		General auditing powers. — (1) When performing an audit referred to in section 11, the Auditor-General or an authorised auditor has at all reasonable times full and unrestricted access to—	1. Employee file containing employment contract, CV, Appointment letters etc. of Mr. Vusi Gumede has not been submitted to the auditors.	timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.	auditors, and will be submitted, proof of submission to forensic auditors is available for inspection.	next audit				
		(a) any document, book or written or electronic record or information of the auditee or which reflects or may elucidate the business, financial results, financial position or performance of the auditee.	2. Approval of the post of the Municipal Manager and availability of budget for the post.							
			3. Names and titles of the assessment panel used to assess the post available for the Municipal Manager.							
			a) Job title							
			b) Job details							
			c) Location of post on organogram							
			d) Job purpose							
			e) Main accountabilities							
			f) Inherent requirements of the job, including learning field, indicators and core competencies							
			g) Provision for amendments to the job description							
			h) Provisions relating to the performance agreements							

1.8.	Overpayment of salary to senior official	In terms of MFMA Act 56 of 2003 paragraph 62: The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure:	During the audit it was noted that employee KZ272485 was receiving the same remuneration from the time that he was acting which was not in accordance with the new employment contract and the letter from the MEC authorising the appointment.	Management did not make the necessary adjustments to the payroll to make sure that the salary paid was in accordance with the gazetted and approved amount and there were no proper review controls in place to identify the issue by senior management .	Finding noted. Management has begun a process of recovering the amount by which the senior official has been overpaid and the remuneration for the senior official has been adjusted downwards to conform to the appointment. Management will further take processed inputs back to the Corporate Services Department for confirmation of inputs to preclude recurrence	The recovered amount shall be disclosed in the 2017-18 set of Financial Statements	Finance Manager	30-Jun-18	No progress at hand	Not yet resolved
		(a) that the resources of the municipality are used effectively, efficiently and economically and;	It was noted that a new appointment letter was signed by the official accepting the remuneration at the approved amount, resulting in the adjustment of his remuneration.							
		(d) that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented.	It was noted that a new appointment letter was signed by the official accepting the remuneration at the approved amount, resulting in the adjustment of his remuneration.							
			This results in an overpayment of his salary, resulting in irregular expenditure.							

					of such an oversight.					
1.9.	Payments of salaries after termination	According to section 1 of the MFMA 56 of 2003, fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.	During the audit noted that salaries of the following employees were still being paid to employees after their termination.	There is no review process in place to ensure that the employees terminated are removed from the Payroll. Management has therefore not ensured that regular, accurate and complete financial reports that are supported and evidenced by reliable information have been prepared.	Finding noted. Management shall disclose the above as fruitless and wasteful expenditure and institute a process of recovering the amounts from the implicated officials.	Management should ensure municipal employees head count on quarterly basis.	PMS Officer	30-Jun-17	No progress at hand	Not yet resolved
		According to section 32. 2, a municipality must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure.	KZ 272462 K.L Msweli 31-Aug-16							
1.10.	No supporting documents submitted for subsistence and travel claims	Section 65 of the MFMA states the following:	In the audit of subsistence and travel expenditure it was identified that the following trips by officials/councillors of the municipality did not have supporting documents: Refer to page 61 of the Final Management Letter	Management did not ensure that the municipality has and maintains an effective	Management notes the finding; an investigation in this regard will be made.	Management will ensure going forward that all subsistence and travel expenses are	PMS Officer	on-going	on-going	In-progress

	(1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.	system of expenditure control, including procedures for the approval, authorisation , withdrawal and payment of funds.	As for Mr Bhengu, it is his task by nature to go and supervise work in progress and he prepares a spread sheet and get it signed by his immediate supervisor. The spreadshe et is available for inspection.	supported				
	(2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to							
	ensure—							
	(a) that the municipality has and maintains an effective system of expenditure control,							
	including procedures for the approval, authorisation, withdrawal and payment of funds.							
	The subsistence and travel policy of the Municipality requires that the claimant should attach relevant supporting documents to the							

		claim form.								
1.11.	Evaluation of a bidder's ability to execute the contract which was not adequately done	In terms of SCM regulation 28(1) (b) the evaluation committee must evaluate each bidder's ability to execute the contract.	During the testing of contract management, it was identified that there are various contracts which have been cancelled and or delayed due to the contractor having cash flow problems. This is evidence that the evaluation was not adequately performed to ensure that the contractor would be able to execute the project.	Management did not review and monitor compliance with applicable laws and regulations to ensure that the contractor would be in a position to complete the project as planned.	Management notes the finding; however the evaluation is correctly exercised in the Bid evaluation process in terms of the PPPFA, SCM policy and regulation.	Management will put a control in place to ensure that the cash flows of suppliers is evaluated as well	Director Technical Services	31-Dec-17	No progress at hand	Not yet resolved
			Failure to adequately evaluate the contracts will lead to delays in projects.							
1.12.	Consultants: Management reviews of the objective of consultants are not reviewed on an annual basis	Municipal Supply Chain Management: A guide for Accounting Officers of Municipalities and Municipal entities paragraph 5.1.5-"Consultants should only be engaged when necessary skills and/or resources to perform projects, duty or study are not available and the accounting officer cannot be reasonably either to train or to recruit people in the time available"	During our assessment of the Municipality's use of consultants, it was noted that management reviews at least on an annual basis on whether the objectives of the institution are better achieved by the municipality through the use of consultants or their permanent staff were not conducted. Management did not ensure that there are sufficient processes in place	Management did not implement effective HR management to ensure that adequate and sufficiently skilled resources are in place and that	Management notes the finding although PMS does review and report about the performance of consultants.	Management needs to perform the necessary analysis; these may include the analysis of the cost effectiveness of training, upskilling current capacity or	The Municipal Manager	04-Jul-17	On Engagements with consultants the skills transfer clause is being discussed and implemented during the	In-progress

			to assess the necessity of the use of consultants and also to assess on whether the municipality will benefit by obtaining and empowering permanent staff to conduct the activities provided by consultant. This may lead to the municipality spending unnecessarily on consultants and not obtaining the necessary skilled staff to perform functions which are the responsibility of the municipality. This is also an indication that the necessary skills are not transferred from consultants to the staff of the municipality.	performance is monitored. Management also did not establish and communicate policies and procedures to enable and support the execution of internal control objectives, processes and responsibilities.		employing additional staff versus using consultancy while ensuring continuity and service delivery. This analysis will also assist management in identifying instances of over reliance on consultants and possibly form the basis for the consultancy reduction plan.			project execution.	
1.13.	No permit to operate landfill site	Section 24F of the National Environmental Management Act (NEMA), No. 107 of 1998 stipulates:	During the audit of provisions, it was ascertained that the required permit / license had not been issued by the Department of Environmental Affairs (DEA) as required by NEMA. The municipality has been engaging on the matter and it has been identified that the land is on Pongola jurisdiction and thus there have been delays	Management did not exercise care and adequate control over monitoring compliance with laws and regulations.	With regards to the dumping site the municipality received permission from Pongola to utilise it, letter from Pongola is	Management to fast-track the process of licencing the dumpsite	SCM Manager	01-Mar-18	on-going	In-progress
		Offences relating to commencement or continuation of listed activity.								
		(1) Notwithstanding any other Act, no person may —								

		(a) commence an activity listed or specified in terms of section 24 (2) (a) or (b) unless the competent authority or the Minister of Minerals and Energy, as the case may be, has granted an environmental authorisation for the activity; or	experienced.		available for inspection, and processes of having licences are underway.						
		(b) commence and continue an activity listed in terms of section 24 (2) (d) unless it is done in terms of an applicable norm or standard.									
		(2) It is an offence for any person to fail to comply with or to contravene—									
		a) subsection (1) (a);									
		b) subsection (1) (b);									
		c) the conditions applicable to any environmental authorisation granted for a listed activity or specified activity;									
		d) any condition applicable to an exemption granted in terms of section 24M; or									

		(3) It is a defense to a charge in terms of subsection (2) to show that the activity was commenced or continued in response to an emergency so as to protect human life, property or the environment.								
		(4) A person convicted of an offence in terms of subsection (2) is liable to a fine not exceeding R5 million or to imprisonment for a period not exceeding ten years, or to both such fine and such imprisonment.								
1.14.	Suppliers in service of the state	In terms of the Municipal Supply Chain Management Regulations 13 (c), a supply chain management policy must state that the municipality or municipal entity may not consider a written quotation or bid unless the provider who submitted the quotation or bid has indicated-	During the audit of procurement and contract management, the following awards were made with false declarations in the MBD 4 forms for the declaration of interest. The suppliers were identified to be in the service of the state: Refer to page 66 of the Final Management Letter.	Management did not ensure that the proper SCM processes were followed prior to awarding the suppliers.	Management notes the finding and will investigate and do the necessary processes	Management will investigate reasons for false declarations and ensure that necessary corrective steps are taken with these suppliers.	SCM Manager	31-Mar-18	No progress at hand	Not yet resolved
		(i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months								

		<p>In terms of Supply Chain Management (SCM) policy of Jozini municipality:</p> <p>Section 43 - Prohibition on awards to persons in the service of the state- Irrespective of the procurement process followed, no award may be made to a person in terms of this policy-</p> <p>a) who is in the service of the state;</p> <p>b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or</p> <p>c) who is an advisor or consultant contracted with the municipality or municipal entity.</p>				<p>Management will ensure that there are controls in place to prevent the circumvention of the SCM processes.</p>				
1.15.	Requested information not submitted for audit - SCM	In terms of section 62 of the Municipal Finance Management Act, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any	During the audit of procurement and contract management the following information was not submitted for audit and this has resulted in a limitation of scope: refer to page 69 and 70 of the final Management letter.	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible	Management will provide remaining documents however it must be noted that the Taxi associations do not provide Tax Clearance	Management will ensure that all the audit requests are submitted to auditors timeously as per the stipulated turnaround time on the audit request.		31-Dec-17	No progress at hand	Not yet resolved

		prescribed norms and standards.		and available to support financial and performance reporting.	Certificate as they are not registered and this was discussed on our last dashboard meeting. Please also note RFQ010/09/16 for the Development of Indigent Register was advertised and was never awarded.					
		In terms of section 19 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), "An auditee must render all reasonable assistance to the Auditor-General or the authorised auditor performing the audit to enable the Auditor-General or authorised auditor to complete the audit within any applicable timeframes."								
		Furthermore, on paragraph 42 of the engagement letter for the 2016-2017 audit, it was agreed with management that "All documentation and information in support of the financial statements, the annual performance report and compliance with legislation must be available on request and be retrievable within a reasonable time, which should not exceed two (2) working days.								

1.16.	Objective of consultants are not reviewed on an annual basis	Municipal Supply Chain Management: A guide for Accounting Officers of Municipalities and Municipal entities paragraph 5.1.5-" Consultants should only be engaged when necessary skills and/or resources to perform projects, duty or study are not available and the accounting officer cannot be reasonably either to train or to recruit people in the time available	During our assessment of the Municipality's use of consultants, it was noted that management reviews at least on an annual basis on whether the objectives of the institution are better achieved by the municipality through the use of consultants or their permanent staff were not conducted. Management did not ensure that there are sufficient processes in place to assess the necessity of the use of consultants and also to assess on whether the municipality will benefit by obtaining and empowering permanent staff to conduct the activities provided by consultant. For example, HDPSA has been appointed for the drafting, consolidation and printing of a circular 63 annual report and summary due to the vacancies within the municipality. This function can be conducted by staff within the municipality at a fraction of the amount paid to the consultant.	Management did not implement effective Human Resource management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored.	Finding noted. Management is currently in a process of filling vacant posts.	Management will ensure that vacant positions within the municipalities are filled with permanent staff rather than appointing consultants.		31-Mar-18	on-going	In-progress
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			<p>This may lead to the municipality spending unnecessarily on consultants and not obtaining the necessary skilled staff to perform functions which are the responsibility of the municipality. This is also an indication that the necessary skills are not transferred from consultants to the staff of the municipality. The urgency of filling vacant posts will not be prioritised since the responsibilities of these posts are being conducted by consultants.</p>							
1.17.	<p>Contracts lacked fundamental criteria and no approved policy</p>	<p>In terms of Municipal SCM guide for Accounting Officers, section 3.1.1 states that demand management is the first phase of the Supply Chain Management (SCM). The objective is to ensure that the resources required to fulfil the needs identified in the strategic plan of the institution are delivered at the correct time, price and place and that the quantity and quality will satisfy those needs. As part of SCM, a total needs assessment should be undertaken. This</p>	<p>As reported in the 3 prior years' audit (i.e. 2013-14, 2014-15 and 2015-16 Financial year) various weakness and non-compliance issues were identified with regards to the use of the consultants. During the current audit similar finding have recurred. Three consultant's contracts were scrutinized for the purposes of this audit. They are: -</p>	<p>The accounting officer has not performed an adequate assessment of the requirements of the SCM policy and the SCM guide to ensure compliance and management</p>	<p>Finding noted. Management will implement the recommendation going forward.</p>	<p>Management will ensure All policies and plan that are in draft be approved and communicated to the staff.</p>		31-Dec-18	<p>No progress at hand</p>	<p>Not yet resolved</p>

		analysis should be included as part of the strategic planning process of the institution and hence will incorporate the future needs.	a. HDPSA	did not understand the risk associated with the contract/ SLA not including a penalty clause in cases of non or poor performance.	<ul style="list-style-type: none"> Management must develop a policy for the transfer of skills to ensure that adequate transferring of skills occurs and that performance is monitored. 				
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		<p>Furthermore, in terms of paragraph 5.1.5 of the SCM - A Guide for AOs of Municipalities and Municipal Entities: "Consultants should only be engaged when the necessary skills and/or resources to perform a project/ duty/ study are not available and the accounting officer cannot be reasonably expected either to train or to recruit people in the time available. And in terms of the National Treasury General Conditions of Contract, section 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance.</p>	b. Ilitha Lesizwe			<ul style="list-style-type: none"> • Consultants term of reference include criteria for transfer of skills such as employees to be trained and skills to be transferred. 				
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			c. Camelsa- MSCOA agreement			<ul style="list-style-type: none"> • All new contracts should include penalty clauses i.e. It should clearly state the value of the penalty. Existing contract that still have a long contract term, an addendum to the contract could be signed. 					
			The following weaknesses have been identified:			<ul style="list-style-type: none"> • Prior to consultants being invited to submit bids or proposals, a full GAP/ needs assessment should be performed. 					
			Through engagement with the acting CFO, audit confirmed that the consultant's policy and consultant reduction has been drafted but not yet approved by council.								

[illegible]

			Contracts for HDPSA and Ilitha Lesizwe were not explicate in stipulating deliverables which are linked to milestones and timelines.							
			In the absence of a gap analysis process, the municipality is not able to identify skill shortages and the skills that are available to the municipality which is not being effectively utilised.							
			As the consultants are not legally obligated to transfer skills and train the municipal staff, the consultant will have to be re-appointed to provide the same service in future. The municipality will not be building their internal capacity and will reliant on the service provider.							
			In the absence of a penalty clause the municipality does not have recourses to terminate consultants for non or poor performance.							

1.18.	Limitation of scope –capital projects	In terms of section 62(1) (b) of the MFMA, the accounting officer of a municipality must take all reasonable steps to ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards.	<p>The following information/ documentation requested during the audit was not submitted for audit purposes:</p> <p>a. Adverts or invitation for proposals</p> <p>b. Consultants claims for disbursement such as Subsistence and Travel</p> <p>Verification of the contents of the documents could not be carried out</p>	Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	Management notes the finding. Management will ensure that that complete, relevant and accurate information is accessible and available to support financial and performance reporting. Management is renovating municipal offices in which a spacious registry is catered for.	Management is in the process of building enough registry for document management		31-Dec-17	No progress at hand	Not yet resolved
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1.19.	Roads infrastructure – Maintenance and renewals of roads	MFMA section 63 states specific duties in respect of asset management, i.e. the safeguarding and maintenance of assets.	During the audit of roads renewals and maintenance it was noted that the municipality budgeted R7 006 000 for the rehabilitation of the Mkuze roads(renewals). The project was awarded to a contractor amounting to R6 552 025. After site handover the contractor withdrew his contract due to over commitment. The municipality agreed to relieve him from the contract. He was paid R380 000 for the site set up and management terminated his contract. No further expenditure was incurred on renewal of roads. No other road was planned as an alternative and therefore the capital budget was underspent by R6 626 000.	Management did not exercise adequate oversight responsibility to ensure that effective service delivery processes are in place.	Management notes the finding. The recommendations will be effected accordingly.	When a project has been cancelled management will have alternative plans to accommodate the approved budget and achieve the desired outcome.		31-Dec-18	No progress at hand	Not yet resolved

		<p>According to the Guidelines for Infrastructure Asset Management in Local Government - Asset management plans should also include asset maintenance plans to ensure provision in the budget for appropriate funding to guarantee that existing assets continue to perform at the required levels and standards of service. Operation and maintenance plans define the approaches to be used, and what needs to be done, to optimise performance and asset life. The objective of operation and maintenance plans is to ensure that assets remain appropriate to programme requirements; are efficiently utilised; and are maintained in the condition necessary to support programme delivery at the lowest possible long-term cost.</p>	<p>Furthermore, during a discussion with the technical manager it came to light that although the municipality has a conditional assessment of roads in the municipal area not all the roads(gravel) are indicated on the assessment. This restricts management to make informed decisions which roads to maintain or to be rehabilitated and at what cost. A complete assessment will assist management during planning how to reduce the backlogs amounting to R134.7 million</p>		<ul style="list-style-type: none"> • Management must ensure that a proper road asset management system is in place and implemented. Values should be allocated to the roads and reconciled with the assets register. This will assist management in the efficient and effective decision making in respect of road infrastructure 				
			<p>It was further noted that the municipality has no road assets management system in place.</p>		<ul style="list-style-type: none"> • Management must also ensure that their capital budgets reflect consistent efforts to address backlogs. 				

			<p>Without alternative plans in place such as prioritizing capital projects backlogs will escalate Furthermore, a lack of a road asset management system can affect accurate budgeting and sound decision making.</p>		<ul style="list-style-type: none"> • National Department of Transport has issued a yearly grant (RAMS) to uMkhanyaku de District Municipality (DM) from 2011/12 financial year to assist municipalities with the collection of data and conditions of all the municipal roads in their area. Management should obtain the information/data collected relevant to Jozini Municipality from the DM which will assist in setting up a road asset management system. This information will also enable management to identify and prioritize 				
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						road maintenance within their own budgets to improve the conditions and extend the lifespan of road infrastructure ..				
1.20.	Vacant Positions in IT		<div>The following five positions within the IT Function were noted as being vacant for the period under review:</div> <div></div> <div><div>• Manager IT;</div><div>• Assistant Manager General IT;</div><div>• IT Technician;</div><div>• Systems Administrator; and</div><div>• IT Assistant.</div></div>	The municipality experienced political instability during the year under review and as a result the previously advertised IT positions were frozen. Subsequentl	Managem ent notes the finding however one post has been advertised already and Assistant Manager General IT will be advertised in a near	Management will expedite the filling of IT vacant position		28-Feb-18	on-going	In-progress

			In the absence of adequate staff resources the Information Technology function might not be in a position to provide efficient and effective IT support to the entity. This could result in IT not adequately supporting business operations and not meeting the needs of the municipality.	y the positions were unfrozen and the recruitment process had to start all over again which resulted in delays in filling the positions.	future.					
1.21.	Sections of the IT Strategy not completed		<p>As previously reported it was noted that an IT Strategy had been developed by the municipality. This strategy was still in draft and the following sections of the document had not been completed by the municipality: • Approval and version control</p> <p>• Alignment of IT Strategy to IDP</p> <p>• Issues arising</p>	Municipal SCM regulations were not adhered to as the SCM policy is not aligned to the treasury regulations	Management has approached the Department of Cooperative Governance and Traditional Affairs (COGTA) to assist on the mentioned matter of the IT Strategy	All sections of the IT Strategy should be completed, approved and implemented within the municipality. Management should also implement controls around IT Budget and spending to ensure that it	Director Corporate Services	31-Mar-17	Positions were advertised in February 2017 and shortlisting is currently in progress to close gap and obtain the relevant expertise.	In-progress

1.22.	Governance of Information and Communication Technology Framework and Policy not implemented	As previously reported the municipality had developed a Governance of Information and Communication Technology Framework (GICT Framework) and Governance of Information and Communication Technology Policy (GICT Policy) with the assistance of a service provider. However, the following deficiencies were noted with the implementation of these documents: The required governance structure of an IT Steering Committee has not been established.	Leadership – IT Governance Management did not implement an effective process to address prior year findings.	The appointment of the IT Steering Committee has been distracted by the instability of management within the municipality and as a result it became challenging to appoint a committee that will be fully accountable and functional to carry the required responsibilities of the committee. Management has now resolved to appoint the IT Steering Committee from the available management	Management should consider implementing the following controls: The approved GICT Framework and Policy should be implemented at the municipality. IT staff must also be adequately trained and equipped to implement the framework's processes and procedures.	Director Corporate Services	31-Mar-17	Cogta was engaged to assist in reviewing the framework however no assistance has been received and the municipality is now considering engaging the Consultant.	Not yet resolved
The approval and version control sections of the documents have not been completed		Insufficient IT capacity and resources as well as being unable to meet the quorum for an IT Steering Committee resulted in the structure not being established.	An IT Steering Committee which includes representation from each department within the municipality should be established. IT Steering Committee meetings should occur as defined in the terms of						

					ent/person nel and Council. Managem ent has also	reference and minutes of meetings held must be taken and retained.			
					approache d COGTA to assist on IT				ICT Officer to provide the revised commitme nt date
			If a comprehensive IT governance framework has not been implemented there is an increased risk that IT functions will not be governed and managed in a standardised manner across the municipality.		Governanc e matters and that will assist in full implement ation of the IT Strategy. Continuou s engageme nts with uMkhanya de District ICT Forum and COGTA is in progress and will able to assist on solving the matter as well.				Benchmar king with other Municipali ty will be considere d and the ICT Officer will be meeting with the relevant officials on 27 May 2017 for discussio n of the Framewor k and the business continuity plan.

1.23.	Responsibilities for information security have not been formally delegated		As previously reported the municipality has not formally delegated the duties and responsibilities associated with an Information Security Officer to any individual within the municipality. This may result in critical information security tasks not being performed which could lead to information assets and technologies not being adequately protected. In addition management will not have any legal recourse or be able to hold anyone accountable for the non-performance of information security tasks due to the responsibilities for information security not being formally delegated	Leadership: IT Governance Management did not implement an effective process to address prior year findings. Due to the current vacancies and insufficient staff capacity in the IT Function the duties and responsibilities associated with an Information Security Officer could not be delegated.	Management is in the process of implementing the municipality's organogram efficiently so that a suitable person to perform information security officer duties is employed and responsibilities are delegated appropriately.	Management should appoint a suitable qualified person to perform the duties associated with an Information Security Officer. The person hired should have the required skills to perform information security responsibilities. These responsibilities must be documented in the job description of the person.	The Municipal Manager	28-Feb-17	Positions were advertised in February 2017 and shortlisting is currently in progress to close gap and obtain the relevant expertise, also that duties and responsibilities are delegated appropriately on availability of relevant staff.	In-progress
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1.24.	No record of how antivirus exceptions were resolved is maintained		It was noted that the AVG antivirus software is checked by IT on a weekly basis and a monitoring control sheet completed. The control sheet used was found to be inadequate as it did not show the action taken to resolve antivirus exceptions identified. Management may not be aware if antivirus exceptions have been adequately and timeously resolved. If virus threats are not adequately dealt with this could result in instability and downtime of IT systems.	Financial and performance management : IT systems. The control designed by management to monitor the antivirus software was not adequate due to management not having sufficient knowledge on IT controls best practices.	The control sheet that is being used by the IT section to monitor the AVG will be updated to include the required column.	Management should consider updating the weekly antivirus control sheet to include a section where the action taken to resolve an antivirus exception can be documented. Reviews of the control sheet should be performed to ensure that it is being adequately completed.	Director Corporate Services	28-Feb-17	The control sheet that is being used by the IT section to monitor the AVG has been updated to include the required column.	Resolved
1.25.	Periodic reviews of user access rights not formally performed (Windows Active Directory, Pastel Evolution, VIP and Pastel Billing)		As previously reported it was noted that no evidence of the review of user access rights to ensure that accesses assigned on systems are still in line with employee's responsibilities could be provided. Management may not be aware of individuals who have been assigned excessive access or access rights that are not in line with their job functions. This could result in users performing unauthorised activities or capturing/approving transactions that are incompatible with their roles	Financial and performance management : IT systems Management did not implement an effective process to address prior year findings.	The current system used by the municipality provides user access reports and these are reviewed on a random basis by the responsible	Management should consider implementing the following controls: Detailed guidance on how to perform user access rights reviews should be documented and provided to staff responsible for	Director Corporate Services	31-Jan-17	The IT Officer is currently reviewing the user access however no proof is maintained.	Not yet resolved

			and responsibilities.		e head of each user department, however no records have been kept to justify the performance of the review procedures. Management acknowledge the finding and will ensure that procedures implemented are verifiable and supported by evidence e.g. signing of reports upon review.	performing these reviews. This guidance should include the responsibilities of the IT Function and the reviewer, timelines for when reviews will be performed, details of the reports to be reviewed, the requirement for dating and signing off the reviews as well as the process to be followed if changes in accesses assigned are required.				
				The responsibility to perform user access rights reviews for all systems had been delegated to the IT department however insufficient		Staff should be trained to ensure that they understand how to perform a user access rights reviews and the impact and risks associated				

				guidance on how these reviews should be performed was noted.		with not adequately performing these reviews.			
						Reviews of user access rights should be performed by an employee's respective line manager on at least an annual basis to ensure that access assigned is still in line with the roles and responsibilities performed by the employee.		Mr Gumedede (ACFO) through assistance from the ICT Officer will check access rights for all systems for each employee and report back by the 14 June 2017.	
						Evidence of such reviews performed and subsequent actions taken should be retained by the IT Function using a control sheet.			

1.26.	Monitoring of administrator activities not performed (Windows Active Directory, Pastel Evolution and Pastel Billing)		<p>The administrator activities performed on the Windows Active Directory, Pastel Evolution and Pastel Billing systems had not been formally monitored for the period under review. Users with administrator privileges have full control over the network and IT applications. If activities of administrators are not reviewed and monitored on a periodic basis this may result in unauthorised activities performed not being detected in a timely manner. This could affect the stability of the application as well as the accuracy of calculations performed. In addition, user account maintenance activities could be performed by administrators without valid and approved requests which may affect the confidentiality, integrity and availability of data stored on the application.</p>	<p>Financial and performance management : IT systems A process for the reviewing of administrator activities had not been established and documented in a standard operating procedure. This resulted in staff not being aware of the steps to follow to perform administrator activity reviews.</p>	<p>Management acknowledge the finding and will ensure that administrator or activity review procedures implemented are verifiable and supported by evidence e.g. signing of reports upon review.</p>	<p>Management should consider implementing the following controls: • The process to be followed to monitor administrator activities should be specified in a standard operating procedure.</p>	Director Corporate Services	31-Jan-17	IT Officer now issue the user control account to users by issuing of form for the completeness in information users.	Resolved
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					<ul style="list-style-type: none"> • A senior independent individual should be formally assigned the responsibility for reviewing system administrator activities • Thereafter, activities of all individuals assigned system administrator privileges should be monitored and reviewed by this senior independent person on a regular basis to ensure that all user id maintenance activities performed by the system administrator relates to valid and approved access requests. Evidence of such reviews should be retained. 				
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1.27.	Change control documentation not completed and vendor access not monitored (Pastel Evolution and Pastel Billing)		As previously reported, the following weaknesses were noted regarding the change control process currently in place at the municipality: • No formal change control documentation was completed when application changes were implemented.	Financial and performance management : IT systems Management did not implement an effective process to address prior year findings.	Change control document is being used by the municipality however management will ensure that when changes are made the document is completely filled. The procedures will be fully and effectively implemented and will go through all levels of approval prior to implementation of a change.	Management should consider implementing the following controls: • Change control documentation as stipulated in the change management procedure should be completed and approved for all changes implemented. • Vendor access should be monitored and access to systems should only be granted to vendors when authorisation by the relevant individuals has been obtained.	CFO Finance/ Acting Technical Services Director	28-Feb-17	Management will ensure that when changes are made the document is completely filled. The procedures will be fully and effectively implemented and will go through all levels of approval prior to implementation of a change.	Not yet resolved
			• Vendor access was not formally monitored.	A lack of in-house skills was noted to ensure that adequate change controls are designed and implemented.						

1.28.	No Business Continuity Plan in place		As previously reported, we noted that a comprehensive Business Continuity Plan (BCP) had not been documented by the municipality. In the event of a disaster the municipality may not be aware of the business continuity activities that need to be performed. This may significantly impact the ability of the municipality to restore critical business functions that are required for day to day operations in a timely manner.	Financial and performance management : IT systems. Management did not implement an effective process to address prior year findings. A lack of knowledge and adequately skilled resources to develop a BCP.	Currently the municipality lacks necessary capacity/expertise to develop the BCP however assistance will be sourced from the experts for development and implementation.	Management should ensure that a BCP is developed, formally approved and implemented within the municipality. Periodic testing of the BCP should be performed to ensure that the steps detailed within the BCP are adequate to restore the municipality's business operations in a timely manner.	Director Corporate Services	23-Jun-17	The Business continuity Plan is part of Disaster Recovery Plan	In-progress
1.29.	Disaster Recovery Plan not tested		As previously reported it was noted that the DRP had not been tested to assess its effectiveness in recovering critical IT systems. In the absence of formal DRP testing, the municipality may not be aware of shortcomings in the DRP and would not be able to assess its effectiveness in an objective and quantifiable manner.	Financial and performance management : IT Systems Management did not implement an effective process to address prior year findings.	The DRP has been developed however not implemented effectively due to a lack of funding; however management	Management should consider implementing the following controls: • DRP testing should be performed on an annual basis.	Director Corporate Services	31-Mar-17	The municipality has acquired the new system which will enable the testing. The ITC Officer will test	In-progress

				<p>A lack of funding and the required resources not being available resulted in the plan not being tested.</p>	<p>ent will consider budgeting for testing in the next financial year. The auditor's recommendation will be implemented.</p>	<p>• The results of the DRP testing should be evaluated and benchmarked against required criteria such as the recovery point objective and the recovery time objective in order to assess the effectiveness of the plan.</p>		<p>the back up with the CFO by 31 May 2017 and proof will be maintained.</p>	
						<p>• Required changes to the DRP should thereafter be made with the amended plan being approved and distributed to the relevant individuals.</p>		<p>A dummy system has been created by the week ending 19 May 2017, and test will be run onsite by 30 May 2017.</p>	

1.30.	Backup restoration testing not performed		As previously reported it was noted that for the period under review no periodic restoration testing of backups was performed. If restoration testing is not performed on a periodic basis management may not be aware of the continued readability of backup media as well as backups taken. This could result in the municipality not being able to rely on backups to restore data.	Financial and performance management : IT Systems Management did not implement an effective process to address prior year findings. Required resources were not available to perform restoration testing.	The process has not been fully implemented due to a lack of funding/necessary resources, however management will consider budgeting for it in the next financial year. The auditor's recommendation will be implemented accordingly.	The readability of backups taken should be tested on a scheduled basis by means of restore procedures in a separate test environment. Evidence of the restoration testing performed as well as the results of the testing should be maintained for record purposes.	CFO Finance	30-Jun-17	Management will make the test for disaster recovery plan next financial year since it has not been budgeted for.	Not yet resolved
1.31.	Inadequate physical access and environmental controls in the server room		As previously reported the following weaknesses were identified with regard to the physical access and environmental controls of the server room: • There is no dedicated server room. Servers are stored in the IT Officer's office.	Financial and performance management : IT Systems Management did not implement an effective process to address prior year findings. Lack of funding and	The municipality is in the process of building a new server room which is adequate. The consultant has been appointed and the server	A dedicated room should be identified and used to house the servers. Management should ensure that adequate physical and environmental controls are implemented	Director corporate Services	30-Jun-17	Management is currently in progress with the expansion of the municipal offices and the IT section is a priority. The Municipality	In-progress

			<ul style="list-style-type: none"> • A server room visitor's register to record persons who had entered the IT Officer's office has not been maintained. • No maintenance plan had been developed for the servicing of server room environmental controls. • The IT Officer's office contained numerous flammable materials such as papers and boxes and was also used to store new and used IT equipment. <p>Inadequate physical access controls increases the risk of unauthorised persons gaining access to the server room. In addition, should server resources be damaged or stolen management may not have records of the person or contact information for them if a server room visitor's register is not maintained. Weak environmental controls could result in environmental damage to the server. This may lead the loss of data and critical IT hardware and software not functioning as intended.</p>	municipal office space constraints due to the office expansion project being delayed.	room plan approved. In September 2016 the municipality started advertising for contractors and the process is being finalised.	and maintained in this room to safeguard server resources and prevent environmental damage to servers.			ty has set aside R3.3 Million for the upgrade of existing facilities. The new server room will be up and running by 30 September 2017.	
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1.32.	1. Indigent Register discrepancies	Section 122 (1) of the Municipal Finance Management Act (MFMA) states that every Municipality must for each financial year prepare annual financial statements which-	During the audit of the Indigent register the following discrepancies were noted:	Management has failed to ensure that the indigent register is accurate and updated on a timely basis, which as lead to the above discrepancies being noted. This further leads to the municipality not recovering money owed to them due to the discrepancies above.	This indigent register is not yet approved by council and hence it is not yet implemented. Management will promptly update the indigent register and submit it to council for approval and subsequent implementation.	Management will ensure the update of the indigent register	SCM Manager	28-Feb-18	No progress at hand	Not yet resolved
		(b) fairly present activities, the state of affairs of the municipality, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year its financial results, and its financial position as at the end of the financial year.	1. There are 241 records in the indigent register with no ID Number thus no audit procedures could be performed to verify the accuracy and validity of the indigents. Please refer to attached annexure of records with no ID numbers.							
		In terms of section 62(1)(c)(i) of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.	2. There are 82 records (see listing below) of ID numbers registered to a deceased person on the indigent register which indicates that the revenue and related receivables may be understated for refuse as the indigent persons would not have been charged for these services. Refer to page 82 of the Final Management letter.							

			4. Account holder with the CIPC database information and a combined payments information file of payments to businesses in which government employees and municipal workers have an interest in, cases were identified where the account holder have an interest in one or another company/business. (40 Records identified as per the listing below) This indicates that the revenue and related receivables may be understated for refuse as the indigent persons would not have been charged for these services.							
1.33.	No controls to identify related parties	In terms of MFMA Act 56 of 2003 paragraph 62: The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure;	During the audit of related parties, it was noted upon enquiry from Mr JFK Khumalo (Municipal Manager) and Mr IS Xulu (Manager Financial Planning), that the municipality does not have any controls in place to identify related parties/ related party transactions.	Management did not ensure/identify the need to implement controls to identify related parties and related party transactions.	The Municipality as a sphere of government has every household being identified as a related party, the service providers and other spheres of government also form part of the related	Management will ensure that controls are in place to identify related parties and related party transactions going forward as well as seek external advice on how to do so should the need arise.	Manager Financial Planning	30-Jun-18	No progress at hand	Year-end Procedure
		a) that the resources of the municipality are used effectively, efficiently and economically;	The only items disclosed are those of key management personnel.	Further management is unaware of how to identify related party transactions and did not engage with any external						
		b) that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards;								

		<p>c) that the municipality has and maintains effective, efficient and transparent systems—</p> <p>i) of financial and risk management and internal control; and</p> <p>ii) of internal audit operating in accordance with any prescribed norms and standards</p>		<p>party /internal audit department to ensure that there should be a method of identification.</p>	<p>parties and is impracticable to disclose all of them in the AFS unlike private companies .</p>					
1.34.	VAT discrepancies	<p>In terms of MFMA Act 56 of 2003 paragraph 62: The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure;</p> <p>a) that the resources of the municipality are used effectively, efficiently and economically;</p> <p>b) that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards;</p> <p>c) that the municipality has and maintains effective, efficient and transparent systems—</p>	<p>During the audit of VAT, it was noted that the VAT reconciliations were not approved nor reviewed by the relevant responsible official (Accounting officer/CFO).</p>	<p>Management did not exercise adequate concern with regards to having the VAT reconciliation s reviewed and approved once completed by the VAT clerk.</p> <p>Inadequate controls in place over VAT reconciliation s to ensure that all information recorded in the financial statements is valid, accurate and complete.</p>	<p>Management notes the finding, however discrepancies were sorted with AG, and reconciliations were accordingly submitted to AG.</p>	<p>Management should ensure that the VAT Reconciliation is reviewed and approved on a monthly basis.</p>	<p>Director corporate Services</p>	<p>30-Jun-18</p>	<p>on-going</p>	<p>In-progress</p>

		i) of financial and risk management and internal control; and								
		ii) of internal audit operating in accordance with any prescribed norms and standards								
1.35.	No evidence of review of VAT returns prepared by consultants	In terms of section 62(1)(c)(i) of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.	During the review of the VAT returns it was noted that there is no evidence of review of the returns prepared by the consultants to ensure that they are accurate and complete.	Management did not ensure that VAT returns are reviewed by the appropriate level of management .	Management notes the finding, however management does review VAT returns and after that makes an endorsement on VAT reconciliation. VAT file is available for inspection	Management should review VAT returns (sufficient audit trail would include signature on returns) on a monthly basis to ensure that the amounts submitted to SARS are accurate and complete.		30-Jun-18	on-going	In-progress
						The review of the work done by the consultants will also ensure that the returns are accurate to avoid penalties by SARS due to inaccurate submissions.				

1.36.	VAT discrepancies	Section 20.4(c) of the Value Added Tax Act states:	During the inspection of supplier invoices it was noted that following invoice did not contain the municipalities VAT number:	Management did not exercise adequate reviews on the supplier invoice and while completing the checklist.	Management notes the finding, and will ensure that all tax invoices do include tax number	100% text invoices check before audit		30-Jun-18	No progress at hand	Not yet resolved
		Except as the Commissioner may otherwise allow, and subject to this section, a tax invoice (full tax invoice) shall be in the currency of the Republic and shall contain the following particulars:	refer to page 99 of the final management letter							
		-the name, address and, where the recipient is a registered vendor, the VAT registration number of the recipient.								
	NB: The audit outcome is an unqualified audit opinion hence the above areas should be addressed									

AUDITOR GENERAL'S REPORT ON THE ANNUAL FINANCIAL STATEMENTS: 2015/16

Management has monitored the implementation of the above plan in ensuring that all findings by Auditor-General as per management report for the financial year 30 June 2016 are addressed. Furthermore review of internal controls by management will be undertaken to ensure full compliance with all municipal finance prescripts.

A. AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2014/15

6.1 AUDITOR GENERAL REPORTS YEAR -2 (2014/15)

Auditor-General Report on Financial Performance: Year -2	
Audit Report Status*:	Disclaimer
Non-Compliance Issues	
Property, plant and equipment	
Revenue from non-exchange transactions	
Irregular expenditure	
Expenditure	
Employee Costs	
Payables	
Receivables and impairment	
Commitments	

6.2 AUDITOR GENERAL REPORTS YEAR -1 (2015/16)



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AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: 2016/17

Auditor-General of South Africa

Jozini Municipality - audit report 2016-17

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on Jozini Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Jozini municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2017, and the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Jozini municipality as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DoRA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

7. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA, DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the intention is to liquidate the municipality or cease operations, or there is no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development

priorities presented in the annual performance report of the municipality for the year ended 30 June 2017:

Development priorities	Pages in the annual performance report
Basic service delivery	22 – 31
Local economic development	32 – 39

15. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. The material findings in respect of the usefulness and reliability of the basic service delivery development priority are as follows:

Basic service delivery

Number of areas with street lights maintained – not well defined and reliable

17. The source information and evidence for the achievement of the planned indicator was not clearly defined, as required by the Framework for Managing Programme Performance Information (FMPPI).
18. The reported achievement for the indicator was misstated as the evidence provided indicated 41 and not 51 as reported.

Number of tourism information centers constructed – not well defined and verifiable

19. The source information and evidence for the achievement of the planned indicator was not clearly defined, as required by the FMPPI.
20. The systems and processes to enable reliable reporting of actual service delivery against the indicator were not adequately designed to ensure that the information produced at the various regions is collected consistently and can be validated, as required by the FMPPI.

Number of high mast light erected and maintained – not reliable

21. The reported achievement for the indicator was misstated as the evidence provided indicated 4 and not 0 as reported.

Number of kilometers of access roads maintained – not reliable

22. The reported achievement for the indicator was misstated as the evidence provided indicated 35kms and not 80kms as reported.
23. I did not identify any material findings on the usefulness and reliability of the reported performance information for local economic development priority.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. The annual performance report on pages x to x and x to x includes information on the achievement of planned targets for the year and explanations are also provided for the under and overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 17 to 22 of this report.

Adjustment of material misstatements

26. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of local economic development and basic service delivery development priorities. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information for basic service delivery.

Report on the audit of compliance with legislation

Introduction and scope

27. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

28. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

29. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA. Material misstatements of non-current assets, current liabilities and expenditure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Strategic planning and performance management

30. The performance management system and related controls were not maintained as it did not describe how the performance review and reporting processes should be conducted, organised and managed, as required by section 7(1) of the Municipal Planning and Performance Management Regulation, 2001.

Budgets

31. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R37,70 million, as disclosed in note 38 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by inaccurate budgeting for non-cash items and over expenditure in employee costs.

Procurement and contract management

32. Goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of Municipal Supply Chain Management Regulation, 2005, 17(a) and (c). Similar non-compliance was also reported in the prior year.
33. Bid documentation for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by Preferential Procurement Regulation of South Africa, 2011, 9(1).

Human resource management

34. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted as required by section 67(1)(d) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000).

Expenditure management

35. Effective steps were not taken to prevent irregular expenditure amounting to R19,22 million as disclosed in note 40 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by overpayments to employees and contractors.
36. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R5,15 million, as disclosed in note 39 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by fraudulent activities confirmed by completed investigations resulting in financial loss to the municipality.

Asset management

37. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Other information

38. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the foreword by the mayor, foreword by the municipal manager and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in the auditor's report.

39. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
40. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. I have nothing to report in this regard.

Internal control deficiencies

41. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon.
42. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership

43. The accounting officer did not exercise adequate oversight responsibility regarding performance reporting and compliance with legislation. In this regard, the accounting officer did not ensure the policies and procedures were appropriately implemented to support the achievement of credible reporting and compliance with legislative requirements.

Financial and performance management

44. Management did not prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information as evidenced by the material misstatements identified in the annual financial statements and material findings on the annual performance report. Management also did not review and monitor compliance with applicable laws and regulations as evidenced by the material non-compliance reported. This was due to management not fully understanding the requirements of the financial and performance reporting frameworks and not fully implementing policies and procedures.

Governance

45. The risk assessment processes and reviews were not adequate to ensure that key risks were mitigated and responded to in good time by management.

Other reports

46. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other

related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

47. An independent consultant investigated allegations of possible misappropriation of the municipality's assets at the request of the municipality, which covered the period 2015/16 to 2016/17. The investigations concluded in September 2017 and resulted in criminal proceedings against various employees. These proceedings are currently in progress.
48. An independent consultant investigated allegations of possible misappropriation of the municipality's assets at the request of the municipality, which covered the period 2013/14 to 2016/17. The investigations concluded in September 2017 and the outcomes are currently in the process of being tabled in council.

Auditor-General

Pietermaritzburg

30 November 2017



AUDITOR-GENERAL
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Annexure – auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
 - conclude on the appropriateness of the accounting officers' use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Jozini municipality ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:2016/17

The management has developed an Audit Action Plan to address all the issues raised by both the Auditor General and Internal Audit. Such a plan would be presented to the Audit Committee for and Council for Approval.

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

GLOSSARY

Accessibility indicators Explore whether the intended beneficiaries are able to access services or outputs.	
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are “ <i>what we use to do the work</i> ”. They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management

	<ul style="list-style-type: none"> • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDIX A- COUNCILORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE					
Council Members	Full Time/Part Time Ft/PT	Committees Allocation	*Ward and/or Part Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- Attendance
				%	%
Cllr Delani Philemon Mabika	Part Time	Executive Committee	Ward 16		
Cllr Eunice Lindiwe Gumbi	Full Time	Executive Committee additional member	Part Represented		
Cllr Siphamandla Zimele Mathenjwa	Part Time	Executive Committee	Ward 15		
Cllr Nkosinathi Sicelo Myeni	Part Time	Executive Committee	Ward 01		
Cllr Thembinkosi Dumisa Khuzwayo	Part Time	Executive Committee	Part Represented		
Cllr Ncamisile Rosemary Zulu	Part Time	Executive Committee	Part Represented		
Cllr Reneth Hlengiwe Gumede	Part time	Executive Committee	Part Represented		
Cllr Ndodophethe Bethuel Mthethwa	Part Time	Executive Committee	Ward 03		
Cllr Mandla Ephraim Ndlela	Part Time	Executive Committee	Ward 14		
Cllr Patience Nontobeko Sinqobile Ngubane	Part Time	SCOPA (MPAC)	Part Represented		
Cllr Nonhlanhla Florence Mthethwa	Part Time	SCOPA (MPAC)	Part Represented		
Cllr Sibongile Prudence Myeni	Part Time	SCOPA (MPAC)	Part Represented		
Cllr Thubelihle Rittah Fakude	Part Time	SCOPA (MPAC)	Part Represented		
Cllr Mokheni Zephania Nxumalo	Part Time	SCOPA (MPAC)	Ward 20		
Cllr Sakhiwe Simiso Mkhize	Part Time	SCOPA (MPAC)	Ward 11		
Cllr Millicent Zanele Nyawo	Part Time	Community Services Portfolio	Part Represented		
Cllr Bongumusa Nhlenyama	Part Time	Community Services Portfolio	Part Represented		
Cllr Bonginkosi Mahaye	Part Time	Community Services Portfolio	Ward 05		
Cllr Thokozani Mandlenkosi	Part Time	Community Services Portfolio	Ward 17		

Khumalo					
Cllr Dingeni Philemon Jobe	Part Time	Finance Portfolio	Part Represented		
Cllr Sithembiso Kenneth Mncwango	Part Time	Finance Portfolio	Part Represented		
Cllr Hloniphile Ellen Myeni	Part Time	Finance Portfolio	Part Represented		
Cllr Vusi Emmanuel Gumede	Part Time	Finance Portfolio	Ward 06		
Cllr Ben Isaac Msweli	Part Time	Finance Portfolio	Ward 13		
Cllr Mbalekelwa Samuel Nkosi	Part Time	Strategic Development & Planning Portfolio	Ward 09		
Cllr Jabulani Philani Mkhwamubi	Part Time	Strategic Development & Planning Portfolio	Ward 10		
Cllr Richard Nkosinathi Ndlovu	Part Time	Strategic Development & Planning Portfolio	Part Represented		
Cllr Wonderboy Njabulo Dlamini	Part Time	Strategic Development & Planning Portfolio	Ward 02		
Cllr Jabulani Emmauel Buthelezi	Part Time	Strategic Development & Planning Portfolio	Part Represented		
Cllr Mfananaye Mathe	Part Time	Corporate Services Portfolio	Part Represented		
Cllr Thembinkosi Zakhele Nyawo	Part Time	Corporate Services Portfolio	Ward 19		
Cllr Mansonso Zeblon Tembe	Part Time	Corporate Services Portfolio	Part Represented		
Cllr Precious Sinenhlanhla Shabangu	Part Time	Corporate Services Portfolio	Part Represented		
Cllr Tholumuzi Wiseman Zikalala	Part Time	Infrastructure Portfolio	Ward 04		
Cllr Bongani Qedusizi Gumede	Part Time	Infrastructure Portfolio	Ward 12		
Cllr Mphikwa Lotus Mavundla	Part Time	Infrastructure Portfolio	Ward 08		
Cllr Siphamandla Reggie Myeni	Part Time	Infrastructure Portfolio	Part Represented		
Cllr Nhlanhla Leonard Gumbi	Part Time	LED/Tourism Portfolio	Ward 07		
Cllr Lindiwe Ayanda Khumalo	Part Time	LED/Tourism Portfolio	Part Represented		
Cllr Phile Ernest Vilane	Part Time	LED/Tourism Portfolio	Ward 18		

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees(other than Mayoral/Executive Committee)and Purpose of Committees	
Municipal Committees	Purpose of Committee
Corporate Services Portfolio Committee	To render a comprehensive, integrated human resource and administration function to enhance service delivery and the welfare of all employees.
Community Services Portfolio Committee	to ensure that the community is well serviced in regards to: <ul style="list-style-type: none"> • Health care • Public Safety • Education (Libraries) • Sports • Community Halls • Traffic • Refuse removal and sewerage Is also responsible for ensuring that plans and programmes are developed to focus specifically on the youth, women, disabled and under-privileged.
Budget and Treasury Portfolio Committee	To Advise the Municipal Manager on the exercise of powers and duties assigned to the Accounting Officer in terms of the MFMA. To dealing with the management of a municipal's funds and ensures financial sustainability for the institution.
Strategic and Planning Portfolio Committee	To give direction, and make decisions on allocating its resources to pursue the strategy . It may also extend to control mechanisms for guiding the implementation of the strategy
Infrastructure Portfolio Committee	
EXECUTIVE COMMITTEE	To report and recommend to municipal council before council decides to: <ul style="list-style-type: none"> • pass a by-law • approve a budget • impose rates, taxes or other charges • approve the IDP
Council Committee	To make the by-laws and decisions for local government and oversees the executive and administration. To provide financial oversight, planning the budget, and hiring the municipal manager. It is also responsible for ensuring that the municipal administration fulfils its duties to the community.
Municipal Public Accounts Committee (MPAC)	To exercise oversight over Jozini Local Municipality, on behalf of the Jozini Municipal Council and to ensure accountable utilization of resources and prudent financial management and to make

APPENDIX C: THIRD TIE STRUCTURE	
DIRECTORATE	DIRECTOR / MANAGER (STATE TITLE AND NAME)
CORPORATE SERVICES	Manager HR (Mrs Mpume Gumede)
	Manager Administration (Mr Banzi Buthelezi)
	Manager ICT (Vacant)
BUDGET & TREASURY OFFICE	Manager Finance (Mr Vusi Gumede)
	Manager Financial Planning (Mr Sifiso Xulu)
	Manager Supply Chain (Mr Sanele Duma)
STRATEGIC AND DEVELOPMENT PLANNING SERVICES	Manager Housing (Mr Thabani Dlodlu)
	Manager Town Planning (Mr Sboniso Myeni)
	Manager Building Control (Mrs Thuli Ndaba)
	Manager Stakeholder Management Office of the Mayor (Vacant)
	Manager Social Welfare (Mrs Busi Mngomezulu)
	Manager LED (Mr Sabelo Mabaso)
TECHNICAL SERVICES	Manager PMU (Mr Mthobisi Nkala)
	Manager Operations & Maintenance (Mr Simphiwe Bhengu)
COMMUNUTY SERVICES	
	Manager Environmental Waste (Mrs Nozipho Khumalo)
	Manager Community Works (Vacant)
	Manager Public Safety (Mrs Zama Khumalo)
	Manager Social Services (Mr Sfiso Ntsele)

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	
Building regulations	Yes	
Child care facilities	No	
Electricity and gas reticulation	No	
Firefighting services	Yes	
Local tourism	Yes	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	No	
Municipal public transport	No	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	
Stormwater management systems in built-up areas	No	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No	
Beaches and amusement facilities	No	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	No	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	No	
Fencing and fences	No	
Licensing of dogs	No	
Licensing and control of undertakings that sell food to the public	No	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	Yes	
Municipal abattoirs	No	
Municipal parks and recreation	Yes	

Municipal roads	Yes	
Noise pollution	No	
Pounds	Yes	
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	

APPENDIX E – WARD REPORTING

FUNCTIONALITY OF WARD COMMITTEE

WARD NAME (NUMBER)	NAME OF WARD COUNCILLOR & ELECTED WARD COMMITTEE	COMMITTEE ESTABLISHMENT YES /NO	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO THE SPEAKER” S OFFICE ON TIME	NUMBER OF QUARTERLY PUBLIC WARD MEETINGS HELD DURING THE YEAR
Ward 1	<p>❖ Cllr N.S Myeni</p> <p>1, Bhekinkosi Fakude 2, Mziyakho Thembisile 3. Phumzile Mathe 4, Jabulani Myeni 5. Velephi Dladla 6, Jabulile Shongwe 7, Lungile Ndlovu 8, Sgugu Nkosi 9, Thandeka Hlatshwayo 10, Thembinkosi Mbhamali</p>	Yes	12	12	04
Ward 2	<p>❖ Cllr W.N Dlamini</p> <p>1, Thandazile Mabaso 2, Desmond Mlambo 3, Thandeka Mabaso 4, Nkosinathi Mathenjwa 5, Martin Tembe 6. Mongiwe Molefe 7, Nkosingiphile Mbatha 8, Thulani Gumede 9, Sifiso Gina 10, Sangweni S Mafuleka</p>	Yes	12	12	04
Ward 3	<p>❖ Cllr B. N Mthethwa</p> <p>1, Florida Mngomezulu 2, Fikile Mgabhi 3, Nester Mabika 4, Mxolisi Mthembu 5, Kheswa Lungile 6, Landeni Ntshembeni</p>	Yes	12	12	04

	7, Thembi Malinga 8, Thembisile Nkosi 9, Sibongile Ntsele 10, Busisiwe Mthembu				
Ward 4	❖ Cllr T.W Zikalala 1, Zandile Sibiya 2, Zakhele Dlamini 3, Mandla Manukuza 4, Sebenzile Zulu 5, Nkosi Ntombifuth 6, Gumede Sebenzile 7, Gumede Phumelaphi 8, Xaba thobani 9, Thandi Tetwayo	Yes	12	12	04
Ward 5	❖ Cllr B, Mahaye 1, Mgcineni Buthelezi 2, Lindiwe Ntimbane 3, Lindiwe Gumede 4, Phumelele Sibiya 5, Nomthandazo Dlamini 6, Dumisani Zwane 7, Nakeni Nkosi 8, Fihlani Buthelezi 9, Thulani Msezane 10, Sipho Buthelezi	Yes	12	12	04
Ward 6	❖ Cllr V Gumede 1, Bheki Sibiya 2, Siyabonga Myeni 3, Bonabanye Ntshangase 4, Timothy Mathe 5, Khethaliphi Zondo 6, Madoda Dlamini 7, Gumbi Busisiwe 8, Bhekani Mthembu 9, Sthembiso Simamane 10, Amon Ximba	Yes	12	12	04
Ward 7	❖ Cllr N. Gumbi	Yes	12	12	04

	1, Bongani Mkhwanazi 2, Dombi Ndlazi 3, Bathobile Mabuyakhulu 4, Gugulethu Myeni 5, Fisani Mzileni 6, Mandla Nsusha 7, Thokozani Nyawo 8, Lungile Shezi 9, Shadrack Mzileni 10, Sbongile Zwane				
Ward 8	❖ Cllr M.L Mavundla 1, Nonhlahla Buthelezi 2, Molweni Myeni 3, Bongekile Menyuka 4, Sphamandla Mthembu 5, Lucky boy Mabika 6, Sipho Dludlu 7, Busisiwe Ntshakala 8, Matrinah Mkhabela 9, Sipho Madlopha	Yes	12	12	04
Ward 9	❖ Cllr M Nkosi 1, Steven Nyawo 2, Precious Nyawo 3, Tholwaphi Buthelezi 4, Busisiwe Gumede 5, Dothia Gumede 6, Thembaletu Ndimande 7, Hleziphi Sibiya 8, Ntokozo Mathe 9, Linduyise Nyawo 10, Mphikwa Mathenjwa	Yes	12	12	04
Ward 10	Cllr J. Mkhwamubi 1, Michael B Sibiya 2, Johan Ndlovu 3. Khanyisile Gumede 4, Phumzile Ndlazi	Yes	12	12	04

	5, Dumsani Gumede 6, Dumsani Gumede 7, Skhaliso Gamede 8, Dunsani Ntuli 9. Johnson Ngwenya 10, Philip Mpontshane				
Ward 11	❖ Cllr S.S Mkhize 1, Bongumusa Mngomezulu 2, Mzwandile Gina 3, Thandazile Mngomezulu 4, KHonangenkosi Gina 5, Professor Makhunga 6, Andile Mngomezulu 7, Phumzile Mngomezulu 8, Owen Mpungose 9, Simon Mafuleka 10, Phumzile Ngobe	Yes	12	12	04
Ward 12	❖ Cllr B.Q Gumede 1, Thula Ndlazi 2, Jabulani Mpontshane 3, Jeremia Tembe 4, Malibase Thandazile 5, Daniel Gumede 6, Felani Msweli 7, Sphephile Tembe 8, Gwinyitshe Ndlovu 9, Mariah Vilakazi 10, Nabezile Ndlovu	Yes	12	12	04
Ward 13	Cllr B.I Msweli 1, Sphelele Gumede 2, Moses Gumede 3, Ntuthuko Menyuka 4, Mpiyakhe Sbiya 5, Thembisile Ngwenya 6, Makhosi Gumede 7, Peter Mlambo 8, Dumazile Masango 9, Thulani Mpontshane 10, Themba M Tembe	Yes	12	12	04

Ward 14	❖ Cllr M.E Ndlela 1, Zinto Mabuyakhulu 2, Nkonkozela Mfuleka 3, Gladness Shongwe 4, Hezekiah Mngomezulu 5, SiphoSethu Mathaba 6, Dumisani Mathenjwa 7. Sandile Mngomezulu 8, Siphila Fakude 9, Siphamandla Mkhaliphi 10, Gabislle Mngomezulu	Yes	12	12	04
Ward 15	❖ Cllr S. Mathenjwa 1, Douglas Mngomezulu 2, Nomusa Maziya 3, Thembelani Ntshangase 4, Sdumo Nkosi 5, Mduduzi Mathenjwa 6, Antony Mathenjwa 7, Phumelelo Mendula 8, Bonginkosi Myeni 9, Bongiwe Gina 10, Jabulani Mathenjwa	Yes	12	12	04
Ward 16	❖ Cllr D, P Mabika 1, Khumbulani Gumede 2, Nkosinathi Mthembu 3, Jabulani Ndlovu 4, Sixolile Shongwe 5, Dumazile Gumede 6, Sbongile Gumede 7, Sindi Thabede 8, Mbongeni Ngwenya 9, Nokuthula Tembe 10, Ngiphiwe Mbuyisa	yes	12	12	04
Ward 17	❖ Cllr T Khumalo 1, Zakhele Gumede	Yes	12	12	04

	2, Phelelani Gumede 3, Thamsanqa Mathenjwa 4, Philisiwe Ndamase 5. Girlie Ncamphalala 6, Themba Ndlovu 7, December Khumalo 8, Alice Masinga 9, Ben Ndlazi 10, Dlamini Oscar				
Ward 18	❖ Cllr P. Vilane 1, Xolani Mthenjwa 2, Phumlani Dlamini 3, Mduduzi Vilane 4, Hlengiwe Tembe 5. Bhakilanga ngomezulu 6, Simon Mngomezulu 7, Zethu Myeni 8, Fikile Ntshangase 9, Nozipho Mngomezulu 10, Theresa Mngomezulu	Yes	12	12	04
Ward 19	❖ Cllr T.Z Nyawo 1, Zinhle Mpontshane 2, Abenigo Ntombela 3, Thandazile Ntazi 4, Winie Sibiya 5, Simo Sibiya 6, Nelile Mpontshane 7, Sibusiso Ngwenya 8, Buyelaphi Madlala 9, Siyabonga Mpontshane 10, Ntombifuth Ngubane	Yes	12	12	04

Ward 20	❖ Cllr M Nxumalo 1, Philemon Mathenjwa 2, Tholakele Dlamini 3, Nomusa Gumbi 4, Busie Mkhwanazi 5, Thembi Myeni 6, Nobayeni Mncwango 7, Bhekinkosi Vilane 8, Mbongiseni Majozi 9, Mlondolozzi Ntshangase 10, Titus Zulu	yes	12	12	04

APPENDIX F: WARD INFORMATION

APPENDIX G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

Date of Committee	Committee Recommendations during year 1	Recommendations adopted (Enter Yes) if not adopted(Provide explanation)
26 July 2016	The recommendation was that the Acting MM to at least make sure that there are Acting Directors in those Department until the recruitment process takes place.	Yes
26 July 2016	MM to call a Special MANCO to discuss the audit readiness and a proper audit turn around should be expected. Internal Audit to continuously follow up on the Action Plans	Yes
26 July 2016	Management to develop an Action Plan to address top risks as per the newly updated risk register	Yes
26 July 2016	Management to ensure that the new council comply with the provision of the act.	Yes
26 July 2016	Recommend the MM to arrange through the office of the speaker for a resolution Register	Yes
26 July 2016	Cheques should rather be electronic than manual as this may cause risk and loss to the municipality should the cheque be lost	Yes
06 October 2016	Management to obtaining supporting documents to support the conditional grants that were spent in the prior years.	Yes
06 October 2016	It was resolved that the SDBIP, IDP and the Scorecard be submitted to Audit Committee members for high level review to identify any gaps within these documents before submission to Council for adoption	Yes
06 October 2016	Management should consider updating the Risk Register with those risk identified Management to review their Risk Registers and update their Action Plans on quarterly basis. Action plans on the risk register to be presented to the next Audit Committee meeting	Yes

06 October 2016	Chairperson recommended that the Audit Committee and Auditor General be advised on the dates for the Councilors workshops so they can send delegates to represent them in the workshops.	Yes
06 October 2016	Chairperson recommended that there should be a steering committee that should meet on weekly basis to monitor the progress in terms of compliance with the MSCOA	Yes

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

The municipality does not have long term contracts an Public private partneships

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
JMC001/07/15	RPS Ilangabi	29/02/2016	Panel of Consultants for the provision of Electrical Engineering Professional Services	7% of the total cost of the project			506 Connections	506 Connections	X		
JMC001/07/15	Izingodla Engineering	29/02/2016	Panel of consultants for the provision of Electrical Engineering Professional Services	14% of the total cost of the project			140 Connections	140 Connections	X		
JMC001/07/15	MMK Engineers	29/02/2016	Panel of consultants for the provision of Professional Engineering Services for MIG projects	14 % of the total cost of the project			Bhambanana Taxi Rank	100% Complete	X		
JMC001/07/15	Vumesa (Pty) Ltd	29/02/2016	Panel of consultants for the provision of Professional Engineering Services for MIG projects	11 % of the total cost of the project			Magwangu Community Hall	10% Complete (Designs completed Tender stage)		X	
JMC001/07/15	Dlamindlovu Engineering Consultants	29/02/2016	Panel of consultants for the provision of Professional Engineering Services for MIG projects	12 % of the total cost of the project			Implementation of Machibini community (Phase 1	Phase 1 100% completed, phase 2 (Construction	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
							completed busy with phase 2)	stage 10% complete)			
JMC004/07/15	Shakaman Consultants	29/02/2016	Panel of Forensic Investigators	R651.51 per hour			Forensic investigation for Joy project and Poverty alleviation project	20% complete (Still in progress)	x		
JMC004/07/15	Integrity Forensic Solutions	29/02/2016	Panel of Forensic Investigators	R915.17 per hour			Forensic investigation for S&T and hiring of taxi	10% complete (Still in progress)	X		
JMC004/07/15	Weich and Kriel Inc	29/02/2016	Panel of Attorneys for Legal Services	R1368.00 per hour			Panel of attorneys	In progress	X		
JMC004/07/15	Mkhize Attorneys	29/02/2016	Panel of Attorneys for Legal Services	R1200.00 per hour			Investigation of Ghost employees on payroll system	100 % complete report submitted	X		
JMC006/10/14	PriceWaterHo useCoopers	10/10/2014	Provision of Internal Audit Services	R2,400 450.81			Provision of internal audit services for 3 years	In progress contract expiring at the end of November	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
								2017 95%			
	Nkosingiphile Inkazimulo Trading	05/01/2015	Provision of Financial Support	R3,256 221.00			Provision of financial services for 18 months	Completed at the end of November 2016 100%	X		
JMC01/03/15	Camelsa Consulting Group	01/03/2017	Provision of System Support	R1,209 000.00			Contract for years 3 years	In progress, monthly monitoring and assistance as per SLA	X		
	Camelsa Consulting Group		Mscosa	R3,325 618.00			Contract for 1 year 2017-2018	In progress 100% availability of consultants onsite	X		
JMC002/02/15	Ngubane & Company	15/03/2016	Compilation of Grap Compliant Fixed Asset Register	R1,237 321.62			Contract for 2 years expiring in 2017	100% completed fixed asset register provided for 2 financial years	X		
RFQ007/11/	HDPSA	20/01/201	Drafting and Consolidation of	R565,000.00			Consolidation	100%	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
16		7	Circular 63 Compliant Annual Report for 2015/2016				and drafting of circular 63 annual report for 2015/2016	completed			
JMC001/06/16	Lwandiswa Investment	17/10/2016	Construction of Biva Community Hall	R4,388 538.53			Construction of Biva Community Hall	95% complete		X	
JMC002/06/16	Mpandla Trading	14/10/2016	Construction of Ngonyameni Community Hall	R4,968 342.04			Construction	50% complete			X
JMC003/02/16	Yaa and Ato Trading Enterprise	14/09/2016	Construction of Mfingosi Community Hall	R4,497 847.20			Construction	100% complete	X		
JMC002/04/16	River Queen Trading	21/11/2016	Construction of Cezwana Youth Centre	R4,298 863.73			Construction	50% complete			X
JMC003/04/16	True Build Services	21/11/2016	Upgrading of Roads in Mkuze CBD	R6,552 024.60			Construction	5% (Terminated for poor performance)			X
JMC003/09/16	Provincial Motors	21/12/2016	Supply and Delivery of Single Cab	R421 432.00			Delivery	100% completed vehicle delivered	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
JMC001/09/16	Palisade Concrete Products	21/12/2016	Supply and Installation of Concrete Palisade Fence at Mkuze Cemeteries	R486 267.00			Fencing	100% completed	X		
JMC004/01/17	Royal Plastic Chairs CC	19/04/2017	Supply and Delivery of 18 Single Axle Mobile Freezers and Generators	R906 300.00			Delivery	100% completed	X		
JMC005/01/17	Kwandiswa Trading (Pty) Ltd	19/04/2017	Supply and Delivery of Sport Kits	R1,724 395.00			Delivery	100 % completed	X		
JMC003/01/17	Indophi Projects (Pty) Ltd	19/04/2017	Supply and Delivery of Tents, Chairs, Tables, Hammers, Generators and Extension Cords	R3,559 425.00			Delivery	100% completed	X		
JMC004/02/17	Mdomo Construction	19/04/17	Construction of Ward 12 Creche	R220 483.12			1 creche	95%	X		
JMC005/04/17	NTBM Trading	19/04/17	Construction of Ward 19 Creche	R232 960.50			1 creche	95% complete	X		
JMC002/02/17	Chwane's General Trading	19/04/17	Construction of Ward 4 Creche	R247 399.65			1 creche	95% complete	X		
JMC003/01/17	Gadidinile Trading & Projects	19/04/17	Construction of Ward 20 Creche	R245 634.50			1 creche	95% complete	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
JMC002/10/16	Sele and Musa Trading and Tours	08/03/2017	Renovation and Renovation and Extension to the Existing Jozini Municipal Offices	R3,657 162.21			Office upgrade	40% complete			X
JMC001/10/16	E-plan Town and Regional Planners CC	27/06/2017	Establishment and Formalisation of Cemeteries for Jozini Municipality	R1,167 819.68				10% complete		X	
JMC004/11/16	Mandla Eco Business Solutions	19/05/2017	Design and Installation of the Solar Powered LED Lights for Mkuze Street Lighting Projects	R1,600 000.00			LED lights installation	100% complete	X		
JMC003/11/16	XB Construction	01/03/2017	Construction of Mthonjeni Sportsfield	R3,432 403.45			Construction	Construction			
JMC001/10/17	E-plan Town and regional Planners CC	16/02/2017	Review of Spatial Development Framework	R287 000.00			1 reviewed SDF	95% complete	X		
JMC010/06/15	Sinotho Electrical	29/03/2017	Completion of Ingwavuma Electrification	R2,469 943.69			470 Connections	366 connections completed (78%)	X		
JMC023/01/15	SNX Trading	29/03/2017	Completion of Gujini Community Hall	R762 751.20			Construction	100% complete	X		
JMC003/04/16	Somkhanda Plant Hire	19/06/2017	Completion of Upgrading of Roads in Mkuze CBD	R11, 773 808.51			Construction	85% complete	X		
JMC001/03/	Bell		Supply and Delivery of Grader	R3,625 200.00			1 grader	100%	X		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
17 RT57 Contract	Equipment							complete			
RT57 Contract	Toyota SA		Supply and Delivery of Mayoral SUV (Prado)	R807 063.00			1 vehicle	100% Complete	X		
RT57 Contract	Toyota SA		Supply and Delivery of Speaker's SUV (Fortuner)	R496 566.90			1 vehicle	100% Complete	X		
RT57 Contract	Toyota SA		Supply and Delivery of Municipal Vehicles x 5	R1,497 458.40			5 vehicles	100% Complete	X		

APPENDIX K1

APPENDIX K (i)

Revenue Collection Performance by Vote

2016/2017

Vote Description	Original Budget	Adjusted Budget	Actual
Property Rates	R 25 552 718,00	R 25 552 718,00	R 26 614 453,00
Service Charges	R 2 816 597,00	R 2 816 597,00	R 3 359 662,00
Rental of facilities and Equipment	R 950 218,00	R 950 218,00	R 758 628,00
Licence and Permits	R 1 035 987,00	R 1 035 987,00	R 1 100 460,00
Other Income	R 776 702,00	R 3 594 315,67	R 760 540,00
Interest Income	R 8 692 287,00	R 11 507 882,06	R 20 741 525,00
Government Grants	R 197 413 000,00	R 197 413 000,00	R 181 620 951,00
Fines, Penalties and Forfeits	R 340 630,00	R 340 630,00	R 1 631 999,00
Total revenue by Vote	R 237 578 139,00	R 243 211 347,73	R 236 588 218,00

APPENDIX K2

Revenue Collection Performance by Source

R '000						
Description	Year - 2015/16	Year 2016/17			Year 0 Variance	
	Actual	Original Budget	Adjust ments Budget	Actual	Original Budget	Adjustments Budget
Property rates	25 528					
Service Charges - refuse revenue	3 674					
Rentals of facilities and equipment	758					
Interest earned - external investments	4 387					
Interest earned - outstanding debtors	12 550					
Fines	1 349					
Licences and permits	1 040					
Transfers recognised - operational	141 637					
Other revenue	702					
Gains on disposal of PPE	—					
Total Revenue (excluding capital transfers and contributions)	192 992					
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.</i>						<i>T K.2</i>

APPENDIX L

APPENDIX L

CONDITIONAL GRANTS RECEIVED EXCLUDING MIG

Details	Budget	Adjustment Budget	Actual	Variance Budget	Adjustment Budget
LIBRARY GRANT	R 1 016 000,00	R 1 016 000,00	R 1 016 000,00	100%	100,00%
EXPANDED WORKS PROGRAMME	R 3 338 000,00	R 3 338 000,00	R 3 338 000,00	100%	100,00%
FINANCE MANAGEMENT GRANT	R 1 825 000,00	R 1 825 000,00	R 1 825 000,00	100%	100,00%
TOTAL	R 6 179 000,00	R 6 179 000,00	R 6 179 000,00	100,00%	100,00%

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<u>Capital expenditure by Asset Class</u>							
<u>Infrastructure - Total</u>	-	18 000		-	15 000	-	-
<u>Infrastructure: Road transport - Total</u>	-	-		-	-	-	-
<i>Roads, Pavements & Bridges</i>							
<i>Storm water</i>							
<u>Infrastructure: Electricity - Total</u>	-	18 000		-	15 000	-	-
<i>Generation</i>							
<i>Transmission & Reticulation</i>		18 000 000	18 000 000		15 000 000		
<i>Street Lighting</i>							
<u>Infrastructure: Water - Total</u>	-	-		-	-	-	-
<i>Dams & Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
<u>Infrastructure: Sanitation - Total</u>	-	-		-	-	-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
<u>Infrastructure: Other - Total</u>	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
<u>Community - Total</u>		36 915			-	-	-

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

	-			-			
Parks & gardens							
Sports fields & stadia	0	4 000 000	0				
Swimming pools							
Community halls		27 914 624	10 171 772				
Libraries							
Recreational facilities		5 000 000	2 538 843				
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Table continued next page							

Table continued from previous page

Capital Expenditure - New Assets Programme*							
							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjust ment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Heritage assets - Total	-	-		-	-	-	-
Buildings							
Other							
Investment properties - Total	-	-		-	-	-	-
Housing development							

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Other							
-							
<u>Other assets</u>	-	-	-	-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<u>Agricultural assets</u>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<u>Biological assets</u>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<u>Intangibles</u>	-	-	-	-	-	-	-
Computers - software & programming							
Other (<i>list sub-class</i>)							

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Total Capital Expenditure on new assets	-	54 915	-	15 000	-	-
Specialised vehicles	-	-	-	-	-	-
Refuse						
Fire						
Conservancy						
Ambulances						
* Note: Information for this table may be sourced from MBRR (2009: Table SA34a) T M.1						

Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	5 500		-	-	-	-
Infrastructure: Road transport -Total	-	5 500		-	-	-	-
Roads, Pavements & Bridges		5 500 000	470 760				
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

	<i>Water purification</i>						
	<i>Reticulation</i>						
	Infrastructure: Sanitation - Total	-	-		-	-	-
	<i>Reticulation</i>						
	<i>Sewerage purification</i>						
	Infrastructure: Other - Total	-	-		-	-	-
	<i>Waste Management</i>						
	<i>Transportation</i>						
	<i>Gas</i>						
	<i>Other</i>						
	Community	-	-		-	-	-
	Parks & gardens						
	Sports fields & stadia						
	Swimming pools						
	Community halls						
	Libraries						
	Recreational facilities						
	Fire, safety & emergency						
	Security and policing						
	Buses						
	Clinics						
	Museums & Art Galleries						
	Cemeteries						
	Social rental housing						
	Other						
	Heritage assets	-	-		-	-	-
	Buildings						

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Other							
Table continued next page							
Table continued from previous page							
Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	2 749		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings		2 748 978	1 026 171				
Other Buildings							
Other Land							

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Surplus Assets - (Investment or Inventory)							
Other							
<u>Agricultural assets</u>	-	-		-	-	-	-
<i>List sub-class</i>							
<u>Biological assets</u>	-	-		-	-	-	-
<i>List sub-class</i>							
<u>Intangibles</u>	-	-		-	-	-	-
Computers - software & programming							
Other (<i>list sub-class</i>)							
Total Capital Expenditure on renewal of existing assets	-	8 249		-	-	-	-
<u>Specialised vehicles</u>	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service backlogs: school and clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid waste collection
School(Name, Location)				
Amandlethu JS	Y	Y	Y	N
Amaqhawwe P	Y	Y	Y	Y
Banjana P	Y	Y	Y	Y
Benjobe JP	Y	Y	Y	Y
Bhekindlela H	Y	Y	Y	Y
Bhekindoda P	Y	Y	Y	Y
Bhekumkhonto P	Y	Y	Y	Y
Cezwana P	Y	Y	Y	N
Dinabanye P	Y	Y	Y	Y
Dokolwane P	Y	Y	Y	N
Egujini P	Y	Y	Y	N
Ekudiikeni P	Y	Y	Y	N
Ekuhleleni P	Y	Y	Y	Y
Ekulingeni JP	Y	Y	Y	N
Ekuveleni P	Y	Y	Y	N
Emanqayini P	Y	Y	Y	N
Emanyiseni P	Y	Y	Y	Y
Embadleni P	Y	Y	Y	Y
Embuyiselo P	Y	Y	Y	Y
Emlambongwenya P	Y	Y	Y	N
Emngceleni P	Y	Y	Y	N
Emnqobelweni P	Y	Y	Y	N
Empumelelweni JP	Y	Y	Y	Y
Emthonjeni P	Y	Y	Y	N
Emunywana JP	Y	Y	Y	N
Endabeni P	Y	Y	Y	Y
Enkulisweni P	Y	Y	Y	Y
Esethembiso Public P	Y	Y	Y	N
Ezibukweni S	Y	Y	Y	Y
Ezimbidleni P	Y	Y	Y	N
Ezinhlabeni S	Y	Y	Y	N
Gamula JS	Y	Y	Y	N

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Gwaliweni P	Y	Y	Y	N
HHoye S	Y	Y	Y	Y
Hlazazane JS	Y	Y	Y	Y
Holy Family P	Y	Y	Y	Y
Igugulesizwe S	Y	Y	Y	Y
Impala S	Y	Y	Y	N
Ingwavuma H	Y	Y	Y	Y
Injula Combined	Y	Y	Y	N
Inkuthazeko P	Y	Y	Y	Y
Isambulo P	Y	Y	Y	Y
Isicelothu H	Y	Y	Y	Y
Isihlagwini P	Y	Y	Y	Y
Isikhalisanamuhla JP	Y	Y	Y	Y
Isiphosethu SS	Y	Y	Y	Y
Isivunguvungu JS	Y	Y	Y	Y
Jevu JS	Y	Y	Y	Y
Jozini P	Y	Y	Y	Y
Juba P	Y	Y	Y	Y
Khandane P	Y	Y	Y	Y
Khethani Christian	Y	Y	Y	Y
Khethwayo JP	Y	Y	Y	Y
Khobongo JS	Y	Y	Y	Y
Khonya JP	Y	Y	Y	Y
Khume P	Y	Y	Y	Y
Kwabamba JS	Y	Y	Y	Y
Kwadonsa P	Y	Y	Y	Y
Kwamakhonyeni P	Y	Y	Y	Y
Kwamangwashu CP	Y	Y	Y	Y
Kwaphaweni P	Y	Y	Y	Y
Kwaqondile JP	Y	Y	Y	Y
Kwashukela P	Y	Y	Y	Y
Lifalethu S	Y	Y	Y	N
Lubambo P	Y	Y	Y	Y
Lubelo S	Y	Y	Y	Y
Lubhoko Comprehensive	Y	Y	Y	Y
Ludaka P	Y	Y	Y	N
Luhlanga P	Y	Y	Y	N

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Lundini P	Y	Y	Y	Y
Mabadleni H	Y	Y	Y	Y
Madeya P	Y	Y	Y	Y
Madlaka JS	Y	Y	Y	Y
Magugu P	Y	Y	Y	Y
Majozini P	Y	Y	Y	Y
Makhana P	Y	Y	Y	Y
Mangwazana S	Y	Y	Y	Y
Mankenke JS	Y	Y	Y	Y
Maphaya P	Y	Y	Y	Y
Maphindela P	Y	Y	Y	Y
Matshamhlophe P	Y	Y	Y	Y
Mavela H	Y	Y	Y	Y
Mayaluka P	Y	Y	Y	Y
Mbalekelwa P	Y	Y	Y	Y
Mbekwane S	Y	Y	Y	Y
Mbodla P	Y	Y	Y	Y
Mdladla H	Y	Y	Y	Y
Mdolomba JS	Y	Y	Y	Y
Mengu P	Y	Y	Y	Y
Mfingosi P	Y	Y	Y	Y
Mgabadeli P	Y	Y	Y	Y
Mgedula P	Y	Y	Y	Y
Mgwayini P	Y	Y	Y	Y
Mhlelazi P	Y	Y	Y	Y
Mhlumeni P	Y	Y	Y	Y
Mkhonjeni P	Y	Y	Y	Y
Mkuze P	Y	Y	Y	Y
Mmemezi S	Y	Y	Y	Y
Mozi P	Y	Y	Y	Y
Mpontshini JP	Y	Y	Y	N
Msiyane H	Y	Y	Y	Y
Mthambalala S	Y	Y	Y	N
Mthanti Commercial	Y	Y	Y	Y
Mtshakela H	Y	Y	Y	Y
Mtshelwane S	Y	Y	Y	Y
Mtwazi Combined	Y	Y	Y	Y

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Muhlekazi P	Y	Y	Y	Y
Muthindlwe P	Y	Y	Y	N
Mziki P	Y	Y	Y	Y
Mzinyeni P	Y	Y	Y	Y
Mzondi P	Y	Y	Y	Y
Namaneni H	Y	Y	Y	Y
Nansindlela C	Y	Y	Y	Y
Ndamkane H	Y	Y	Y	Y
Nethezeka P	Y	Y	Y	Y
Ngazini JS	Y	Y	Y	Y
Ngungunyane P	Y	Y	Y	Y
Njakazana P	Y	Y	Y	Y
Nkungwini CP	Y	Y	Y	Y
Nobiya H	Y	Y	Y	Y
Nodineka JS	Y	Y	Y	Y
Nondabuya P	Y	Y	Y	Y
Nonjinjikazi L.P	Y	Y	Y	Y
Nothando H	Y	Y	Y	Y
Nqobizazi JS	Y	Y	Y	N
Nsimbane JP	Y	Y	Y	N
Nsongweni JP	Y	Y	Y	Y
Ntabayengwe P	Y	Y	Y	Y
Ntokozweni CP	Y	Y	Y	Y
Ntsinde Commercial H	Y	Y	Y	Y
Nyamane S	Y	Y	Y	Y
Nyathini P	Y	Y	Y	Y
Ogazini P	Y	Y	Y	N
Ohlalwini P	Y	Y	Y	N
Okhayeni P	Y	Y	Y	Y
Ophansi P	Y	Y	Y	N
Ophondweni P	Y	Y	Y	Y
Oshabeni P	Y	Y	Y	Y
Othobothini P	Y	Y	Y	Y
Our lady of Ingwavuma	Y	Y	Y	Y
Phumlani S	Y	Y	Y	Y
Phungaza H	Y	Y	Y	N
Qoshama SS	Y	Y	Y	N

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Sambane P	Y	Y	Y	N
Sandlasenkosi S	Y	Y	Y	N
Shange P	Y	Y	Y	Y
Shemula P	Y	Y	Y	Y
Sibhamu H	Y	Y	Y	Y
Sinethezekile Combined	Y	Y	Y	Y
Siqakatha P	Y	Y	Y	N
Sisizakele Special school	Y	Y	Y	Y
St alexis SP	Y	Y	Y	N
Ubombo P	Y	Y	Y	N
Uphande P	Y	Y	Y	Y
Velakukhanya P	Y	Y	Y	Y
Vezukusa P	Y	Y	Y	N
Zamazama CP	Y	Y	Y	N
Zamintuthuko S	Y	Y	Y	N
Zandlazethu H	Y	Y	Y	N
Zimele S	Y	Y	Y	N
Ziphosheni P	Y	Y	Y	N
Zombizwe H	Y	Y	Y	N
Zwilenkosi JS	Y	Y	Y	N
CLINIC(Name,Location)				
Gedleza clinic	Y	Y	Y	N
Jozini clinic	Y	Y	Y	N
Madonela clinic	Y	Y	Y	Y
Makhathini clinic	Y	Y	Y	Y
Mboza clinic	Y	Y	Y	Y
Mhlekaazi clinic	Y	Y	Y	Y
Mkuze clinic	Y	Y	Y	Y
Ophansi clinic	Y	Y	Y	Y
Ekuhleleni clinic	Y	Y	Y	Y
Gwaliweni clinic	Y	Y	Y	N
Manyiseni clinic	Y	Y	Y	N
Mbadleni clinic	Y	Y	Y	Y
Ndumo clinic	Y	Y	Y	Y
Nkungwini clinic	Y	Y	Y	Y
Ophondweni clinic	Y	Y	Y	Y
Shemula clinic	Y	Y	Y	Y

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Kwambuzi clinic	Y	Y	Y	N
Nondabuya clinic	Y	Y	Y	Y

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

VOLUME II: AFS

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017



Jozini Local Municipality
(Registration number KZN 272)

**Annual Financial Statements
for the year ended 30 June
2017**

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

General Information

Legal form of entity	KZN272 JOZINI MUNICIPALITY	
Nature of business and principal activities	Service Delivery	
	DP Mabika	Mayor
Executive Committee members	EL Gumbi	Speaker
	SZ Mathenjwa	Deputy Mayor
	NS Myeni	EXCO Member
	TD Khuzwayo	EXCO Member
	NR Zulu	EXCO Member
	SZ Mathenjwa	EXCO Member
	RH Gumede	EXCO Member
	NB Mthethwa	EXCO Member
	ME Ndlela	EXCO Member
Councillors	MZ Nyawo	Ordinary Coucillor
	HE Myeni	Ordinary Coucillor
	NF Mthethwa	Ordinary Coucillor
	SP Myeni	Ordinary Coucillor
	MZ Tembe	Ordinary Coucillor
	TR Fakude	Ordinary Coucillor
	RN Ndlovu	Ordinary Coucillor
	PS Shabangu	Ordinary Coucillor
	PNS Ngubane	Ordinary Coucillor
	SR Myeni	Ordinary Coucillor
	SH Myeni	Ordinary Coucillor
	M Mathe	Ordinary Coucillor
	B Nhlenyama	Ordinary Coucillor
	JE Buthelezi	Ordinary Coucillor
	LA Khumalo	Ordinary Coucillor
	SK Mncwango	Ordinary Coucillor
	WN Dlamini	Ordinary Coucillor
	TW Zikalala	Ordinary Coucillor

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

	D Mahaye	Ordinary Coucillor
	VE Gumede	Ordinary Coucillor
	NE Gumede	Ordinary Coucillor
	ML Mavundla	Ordinary Coucillor
	MS Nkosi	Ordinary Coucillor
	JP Mkhambeni	Ordinary Coucillor
	SS Mkhize	Ordinary Coucillor
	BQ Gumede	Ordinary Coucillor
	BI Msweli	Ordinary Coucillor
	TM Khumalo	Ordinary Coucillor
	PE Vilane	Ordinary Coucillor
	TZ Nyawo	Ordinary Coucillor
	MZ Nxumalo	Ordinary Coucillor

General Information

Grading of local authority

Grade 2

Chief Finance Officer (CFO)

Mr VI Gumede

Physical address

Bottom Town

Circle Street

Jozini

3969

Postal address

Private Bag x 028

Jozini

3969

Bankers

ABSA Bank

FNB Bank

Auditors

Auditor General of South Africa

Registered Auditors

Attorneys

Weich & Kriel

Ndwandwe Attorneys

Ubuntu Business Advisery

Kwela Attorneys

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Mkhize attorneys

Municipal Contact Details

(035) 572 1292

(035) 572 1266

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

Index	Page
Accounting officer's Responsibilities and Approval	4
Statement of Financial Position	5
Statement of Financial Performance	6
Statement of Changes in Net Assets	7
Cash Flow Statement	8
Statement of Comparison of Budget and Actual Amounts	9 - 12
Accounting Policies	13 - 30
Notes to the Annual Financial Statements	31 - 57

Abbreviations

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting officer's Responsibilities and Approval

The Accounting officer is required by the MFMA, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Officer to ensure that the annual financial statements fairly present the state of affairs of the Municipality as at the end of the financial year and the results of its operations and flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Accounting Officer acknowledges that he is ultimately responsible for the system of internal financial control established by the Municipal Council and places considerable importance on maintaining a strong control environment. To enable the Municipal Council to meet these responsibilities, the Accounting Officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the year and all employees are required to maintain the highest ethical standards in ensuring the Municipal's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Municipality is on identifying, assessing, managing and monitoring all known forms of risk across the Municipality. While operating risk cannot be fully eliminated, the Accounting Officer endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Auditor General is of the opinion, based on the information and explanations given by management, which the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The Accounting Officer has reviewed the Municipal's cash flow forecast for the year to 30 June 2018 and, in the light of this review and the current financial position, he is satisfied that the Municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 50, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 26 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

The annual financial statements set out on page 1-50 s 5 to 58, which have been prepared on the going concern basis, were approved by the Council on 30 August 2017 and were signed on its behalf by:

JFK KHUMALO
Municipal Manager

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Statement of Financial Position as at 30 June 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Current Assets			
Operating lease asset	3	-	7 002
Receivables from non-exchange transactions	4	20 013 544	28 411 176
VAT receivable	5	15 038 214	5 134 285
Receivables from exchange transactions	6	20 872 605	16 905 268
Cash and cash equivalents	7	56 964 440	74 627 106
		112 888 803	125 084 837
Non-Current Assets			
Property, plant and equipment	8	257 202 184	231 499 226
Intangible assets	9	1 298 314	585 008
		258 500 498	232 084 234
Total Assets		371 389 301	357 169 071
Liabilities			
Current Liabilities			
Finance lease obligation	10	-	139 960
Payables from exchange transactions	11	13 510 400	19 002 679
Unspent conditional grants and receipts	12	6 179 475	9 227 816
Provisions	13	11 941 285	9 793 193
Deposit and Refund	14	774 998	789 843
		32 406 158	38 953 491
Total Liabilities		32 406 158	38 953 491
Net Assets		338 983 143	318 215 580
Accumulated surplus		338 983 143	318 215 580

Statement of Financial Performance

Figures in Rand	Note(s)	2017	2016
Revenue			
Revenue from exchange transactions			
Service charges	16	3 359 662	3 673 895
Rental of facilities and equipment	15	758 628	758 201
Licences and permits	15	1 100 460	1 040 080
Other income	17	760 540	694 338
Interest income	18	20 741 525	16 937 316
Total revenue from exchange transactions		26 720 815	23 103 830

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Revenue from non-exchange transactions

Taxation revenue

Property rates	19	26 614 453	25 528 119
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Transfer revenue

Government grants	20	181 620 951	191 827 658
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Fines, Penalties and Forfeits	21	1 631 999	1 361 216
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Total revenue from non-exchange transactions		209 867 403	218 716 993
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Total revenue	15	236 588 218	241 820 823
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Expenditure

Employee related costs	22	58 931 021	48 865 313
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Remuneration of councillors	23	10 369 882	10 604 239
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Depreciation and amortisation	24	15 137 315	16 084 208
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Finance costs	25	633 969	578 481
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Debt Impairment	26	35 660 224	28 653 292
-----------------	----	------------	------------

Contracted services	27	53 931	15 965
---------------------	----	--------	--------

Grants expenditure	28	3 140 867	2 632 572
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General expenses	29	91 274 428	72 506 250
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Total expenditure		215 201 637	179 940 320
--------------------------	--	--------------------	--------------------

Operating surplus		21 386 581	61 880 503
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Surplus for the year		21 386 581	61 880 503
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Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	261 794 943	261 794 943
Adjustments		
Correction of errors	(6 078 883)	(6 078 883)
Balance at 01 July 2015 as restated*	255 716 060	255 716 060
Changes in net assets		
Surplus for the year	61 880 503	61 880 503
Total changes	61 880 503	61 880 503
Balance at 01 July 2016	317 596 558	317 596 558
Changes in net assets		
Surplus for the year	21 386 581	21 386 581
Total changes	21 386 581	21 386 581
Balance at 30 June 2017	338 983 139	338 983 139

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Cash Flow Statement

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Receipts			
Property rates		14 139 558	15 886 231
Sale of goods and services		1 423 178	1 516 102
Grants		196 596 304	192 720 800
Interest income		7 002 391	4 386 401
Other receipts		1 836 795	8 342 797
Advance receipt of the sale of a stand and hall hire deposits	26	-	762 202
		220 998 226	223 614 533
Payments			
Employee costs		(69 300 903)	(46 193 655)
Suppliers		(108 790 707)	(55 340 938)
Finance costs		-	(578 481)
		(178 091 610)	(102 113 074)
Net cash flows from operating activities	30	42 906 616	121 501 459
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(8 684 369)	(48 223 586)
Additions to work in Progress	8	(49 930 983)	2 529 295
Purchase of intangible assets	9	(1 165 156)	(547 785)
Net cash flows from investing activities		(59 780 508)	(46 242 076)
Cash flows from financing activities			
Deposit & Refund		(780 290)	-
Finance lease payments		(139 960)	(139 960)
Net cash flows from financing activities		(920 250)	(139 960)
Net increase/(decrease) in cash and cash equivalents		(17 662 666)	52 119 006
Cash and cash equivalents at the beginning of the year		74 627 106	22 508 057
Cash and cash equivalents at the end of the year	7	56 964 440	74 627 063

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Service charges	2 816 597	-	2 816 597	3 359 662	543 065	Refer to note 46
Rental of facilities and equipment	950 218	-	950 218	758 628	(191 590)	
Licences and permits	1 035 987	-	1 035 987	1 100 460	64 473	Refer to note 46
Other income	776 702	2 817 614	3 594 316	760 540	(2 833 776)	
Interest earned - external investments	1 770 155	2 815 595	4 585 750	7 002 391	2 416 641	.
Interest earned - outstanding debtors	6 922 132	-	6 922 132	13 739 134	6 817 002	
Total revenue from exchange transactions	14 271 791	5 633 209	19 905 000	26 720 815	6 815 815	

Revenue from nonexchange transactions

Taxation revenue

Property rates	25 552 178	-	25 552 178	26 614 453	1 062 275	Refer to note 46
Transfers recognised operational	141 024 000	-	141 024 000	141 024 000	-	Refer to note 46

Transfer revenue

Fines, Penalties and Forfeits	340 630	-	340 630	1 631 999	1 291 369	Refer to note 46.
Total revenue from nonexchange transactions	166 916 808	-	166 916 808	169 270 452	2 353 644	

Total revenue **181 188 599** **5 633 209** **186 821 808** **195 991 267** **9 169 459**

Expenditure

Personnel	(64 174 007)	15 243 513	(48 930 494)	(58 931 021)	(10 000 527)	Refer to note 46
Remuneration of councillors	(12 181 542)	-	(12 181 542)	(10 369 882)	1 811 660	Refer to note 46
Depreciation and amortisation	(10 372 231)	(7 603 543)	(17 975 774)	(15 137 315)	2 838 459	Refer to note 46
Finance costs	-	-	-	(633 969)	(633 969)	Refer to note 46

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Debt impairment	(11 000 000)	-	(11 000 000)	(35 660 224)	(24 660 224)	Refer to note 46
Provision adjustment	-	-	-	(53 931)	(53 931)	Refer to note 46
Transfers and grants	(162 060)	(600 000)	(762 060)	(3 140 867)	(2 378 807)	Refer to note 46
General Expenses	(96 319 193)	(4 977 739)	(101 296 932)	(91 274 428)	10 022 504	Refer to note 46

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Total expenditure		2 062 231	(192 146 802)	(215 201 637)	(23 054 835)	
Operating deficit	(194 209 033)	7 695 440	(5 324 994)	(19 210 370)	(13 885 376)	
	(13 020 434)					
Transfers recognised	56 389 000	-	56 389 000	56 389 000	-	
Surplus before taxation	43 368 566	7 695 440	51 064 006	37 178 630	(13 885 376)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	43 368 566	7 695 440	51 064 006	37 178 630	(13 885 376)	

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Position

Assets

Current Assets

Consumer debtors	82 508 293	-	82 508 293	55 167 573	(27 340 720)	Refer to note 46
Cash and cash equivalents	15 100 465	49 337 011	64 437 476	56 964 440	(7 473 036)	Refer to note 46
	97 608 758	49 337 011	146 945 769	112 132 013	(34 813 756)	

Non-Current Assets

Property, plant and equipment	277 283 244	49 337 011	326 620 255	257 202 184	(69 418 071)	Refer to note 46
Intangible assets	141 174	-	141 174	1 298 314	1 157 140	Refer to note 46
	277 424 418	49 337 011	326 761 429	258 500 498	(68 260 931)	
Total Assets	375 033 176	98 674 022	473 707 198	370 632 511	(103 074 687)	

Liabilities

Current Liabilities

Payables from exchange transactions	32 735 242	-	32 735 242	13 510 400	(19 224 842)	Refer to note 46.
Unspent conditional grants and receipts	-	-	-	6 179 475	6 179 475	Refer to note 46
Provisions	13 289 273	-	13 289 273	11 941 285	(1 347 988)	Refer to note 46
Deposit and Refund	-	-	-	774 998	774 998	Refer to note 46
	46 024 515	-	46 024 515	32 406 158	(13 618 357)	
Total Liabilities	46 024 515	-	46 024 515	32 406 158	(13 618 357)	
Net Assets	329 008 661	98 674 022	427 682 683	338 226 353	(89 456 330)	

Net Assets

Net Assets Attributable to Owners of Controlling Entity

Reserves

Accumulated surplus	329 008 660	98 674 022	427 682 682	358 866 290	(68 816 392)	Refer to note 46
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Cash Flow Statement

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

CASH FLOWS FROM OPERATING ACTIVITIES

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Receipts						
Property rates	20 441 742	(9 847 878)	10 593 864	14 139 558	3 545 694	Refer to note 46
Sale of goods and services	2 253 277	(712 699)	1 540 578	1 423 178	(117 400)	Refer to note 46
Grants	197 413 000	(5 200 000)	192 213 000	196 596 304	4 383 304	Refer to note 46
Other receipts	8 720 422	(1 964 749)	6 755 673	10 355 656	3 599 983	Refer to note 46
	228 828 441	(17 725 326)	211 103 115	222 514 696	11 411 581	
Payments						
Employee costs	(144 821 000)	-	(144 821 000)	(61 523 168)	83 297 832	Refer to note 46
Suppliers	(172 836 802)	(4 871 077)	(177 707 879)	(167 802 894)	9 904 985	Refer to note 46
	(317 657 802)	(4 871 077)	(322 528 879)	(229 326 062)	93 202 817	
Net cash flows from operating activities	(88 829 361)	(22 596 403)	(111 425 764)	(6 811 366)	104 614 398	
Cash flows from investing activities						
Purchase of property, plant and equipment	(78 846 827)	-	(78 846 827)	(57 638 276)	21 208 551	
Proceeds from sale of property, plant and equipment	(141 173)	-	(141 173)	(457 679)	(316 506)	
Purchase of intangible assets	-	-	-	(1 517 046)	(1 517 046)	
Net cash flows from investing activities	(78 988 000)	-	(78 988 000)	(59 613 001)	19 374 999	
Net increase/(decrease) in cash and cash equivalents	(167 817 361)	(22 596 403)	(190 413 764)	(66 424 367)	123 989 397	Refer to note 46
Cash and cash equivalents at the end of the year	(167 817 361)	(22 596 403)	(190 413 764)	(66 424 367)	123 989 397	

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the MFMA.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 GOING CONCERN ASSUMPTION

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

IMPAIRMENT TESTING

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. An impairment loss is recognised for the amount which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

PROVISIONS

Provisions were raised and management determined an estimate based on the information available. Additional disclosures of these estimates of provisions are included in note 13 - Provisions.

USEFUL LIVES OF WASTE AND WATER NETWORK AND OTHER ASSETS

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

ALLOWANCE FOR DOUBTFUL DEBTS

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one reporting period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost or fair value of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land	
<input type="checkbox"/> Landfill sites	15 years
<input type="checkbox"/> Parkhomes	10 - 55 years
<input type="checkbox"/> Roads and Pavements	10 - 60 years
<input type="checkbox"/> Buildings	10 - 55 years
<input type="checkbox"/> Storm water drainage	20 years
<input type="checkbox"/> Parkings and Gardens	10 years
<input type="checkbox"/> Recreational Facilities	30 years
Furniture and fixtures	
<input type="checkbox"/> Furniture and fittings	5 - 15 years
<input type="checkbox"/> Bins and Containers	5 years
Motor vehicles	
<input type="checkbox"/> Other Vehicles	5 - 15 years
Office equipment	
<input type="checkbox"/> Computer Equipment	5 - 15 years

1.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Other property, plant and equipment

- Grader 10 years
- TLB 10 years

The residual value, the useful life and depreciation method of each asset is reviewed at annually. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use or disposal of the asset.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Property, plant and equipment which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. These assets are not accounted for as non-current assets held for sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

WORK IN PROGRESS

Any certified payments are accounted for under "work in progress/assets under construction" are not depreciated until the asset is complete and available for use.

Measurement

Work in progress is recognised at costs/payments certified.

RECOGNITION

Work in progress/assets under construction are capitalised under property, plant and equipment when a certificate of practical completion is received

1.5 SITE RESTORATION AND DISMANTLING COST

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.6 INTANGIBLE ASSETS

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

1.6 INTANGIBLE ASSETS (CONTINUED)

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indication that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software, other	5 years

1.7 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one Municipality and a financial liability or a residual interest of another Municipality.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an Municipality's statement of financial position.

A financial asset is:

- cash;
- a residual interest of another Municipality; or ☐ a contractual right to:
 - receive cash or another financial asset from another Municipality; or
 - exchange financial assets or financial liabilities with another Municipality under conditions that are potentially favourable to the Municipality.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another Municipality; or

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1.7 Financial instruments (continued)

- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the Municipality.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by a Municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

CLASSIFICATION

The Municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Cash and cash equivalents
Consumer debtors
Receivables and exchange transactions
Receivables and non - exchanged transactions
VAT Receivables

Category

Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at amortised cost

The Municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Unspent conditional grants
Consumer deposits
Payable from exchange transactions

Category

Financial liability measured at amortised cost
Financial liability measured at amortised cost
Financial liability measured at amortised cost

INITIAL MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Municipality measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The Municipality measures a financial asset and financial liability initially at its fair value [if subsequently measured at fair value].

The Municipality first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the Municipality analyses a concessionary loan into its component parts and accounts for each component separately. The Municipality accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Municipality measures all financial assets and financial liabilities after initial recognition using the following categories: □
Financial instruments at fair value.

- Financial instruments at amortised cost.
- Financial instruments at cost.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1.7 Financial instruments (continued)

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

FAIR VALUE MEASUREMENT CONSIDERATIONS

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the Municipality establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique.

The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, a municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

RECLASSIFICATION

The Municipality does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Where the Municipality cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the Municipality reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.

GAINS AND LOSSES

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Derecognition

FINANCIAL LIABILITIES

The Municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1.7 Financial instruments (continued)

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another Municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

1.8 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes land and buildings elements, the entity assesses the classification of each element separately.

FINANCE LEASES - LESSEE

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease. Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term in order to produce a constant periodic rate on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

OPERATING LEASES - LESSOR

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Income for leases is disclosed under revenue in the statement of financial performance.

OPERATING LEASES - LESSEE

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.9 IMPAIRMENT OF CASH-GENERATING ASSETS

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1.9 IMPAIRMENT OF CASH-GENERATING ASSETS (CONTINUED)

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

IDENTIFICATION

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

1.9 Impairment of cash-generating assets (continued)

REVERSAL OF IMPAIRMENT LOSS

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.10 IMPAIRMENT OF NON-CASH-GENERATING ASSETS

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

1.10 IMPAIRMENT OF NON-CASH-GENERATING ASSETS (CONTINUED)

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

IDENTIFICATION

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

REVERSAL OF AN IMPAIRMENT LOSS

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.11 EMPLOYEE BENEFITS

Employee benefits are all forms of consideration given by an Municipality in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting Municipality. If the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting Municipality's own creditors (even in liquidation) and cannot be paid to the reporting Municipality, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting Municipality to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- a Municipality's decision to terminate an employee's employment before the normal retirement date; or ☐ an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

1.11 EMPLOYEE BENEFITS (CONTINUED)

Composite social security programmes are established by legislation and operate as multi-employer plans to provide postemployment benefits as well as provide benefits that are not considered an exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an Municipality's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the Municipality has indicated to other parties that it will accept certain responsibilities and as a result, the Municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

1.12 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating Surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 32.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;

1.12 PROVISIONS AND CONTINGENCIES (CONTINUED)

- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, the municipality recognises the obligation at the higher of:

- the amount determined using the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.13 REVENUE FROM EXCHANGE TRANSACTIONS

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

SALE OF GOODS

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.13 Revenue from exchange transactions (continued)

RENDERING OF SERVICES

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

INTEREST

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.14 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

1.14 REVENUE FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

MEASUREMENT

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

1.14 Revenue from non-exchange transactions (continued)

PROPERTY RATES

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for income tax is the earning of assessable income during the taxation period by the taxpayer.

The taxable event for value added tax is the undertaking of taxable activity during the taxation period by the taxpayer.

The taxable event for customs duty is the movement of dutiable goods or services across the customs boundary.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

The taxable event for estate duty is the death of a person owning taxable property.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

TRANSFERS

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

VALUE ADDED TAX

The municipality recognise revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

FINES

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

IGRAP1

At the time of initial recognition it is inappropriate to assume that the collectability of amounts owing by individual recipients of goods or services will not occur, because the entity has an obligation to collect all revenue. A decision not to enforce these rights, is a subsequent event. Accordingly, the full amount of revenue should be recognised at initial recognition.

1.15 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.16 Borrowing costs

1.17 EVENTS AFTER THE REPORTING DATE

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and - those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date). The municipality adjust the amounts recognised in the financial statements to reflect the adjusting events after the reporting date.

The municipality does not adjust the amounts recognised in the annual financial statements to reflect non-adjusting events after the reporting date. If the municipality receives information after the reporting date but before the financial statements are authorised for issue, about conditions that existed at the reporting date, the disclosure that relate to those conditions shall be updated in light of the new information

1.18 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1.20 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.21 IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

1.21 IRREGULAR EXPENDITURE (CONTINUED)

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements.

The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.22 COMMITMENTS

Items are classified as commitments where the municipality commits itself into future transactions that will normally result in the outflow of resources.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- Approved and contracted commitments;
- Where the expenditure has been approved and the contract has been awarded at the reporting date; and-
Where disclosure is required by specific GRAP standard.

1.23 RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research is recognised as an expense when it is incurred.

An asset arising from development is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

1.24 BUDGET INFORMATION

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance to the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2016/07/01 to 2017/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.25 RELATED PARTIES

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

1.25 RELATED PARTIES (CONTINUED)

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.26 COMMITMENTS

Commitments disclosed in the notes to the annual financial statements represents the balance committed to capital projects and operating expenditure as at the reporting date which will be incurred in the period subsequent to the specific reporting period.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
2. New standards and interpretations		
Standard/ Interpretation:		
	Effective date: Years beginning on or after	Expected impact
IGRAP 18: Interpretation of the standard of GRAP on Recognition and Derecognition of land	01 April 2019	Unlikely there will be a material impact
GRAP 26 (as amended 2016): impairment of cash generating assets	01 April 2018	Unlikely there will be a material impact
GRAP 21 (as amended 2016): Impairment of non-cash generating assets	01 April 2018	Unlikely there will be a material impact
GRAP 18 (as amended 2016)	01 April 2018	Unlikely there will be a material impact
GRAP 17 (as amended 2016): Property, Plant and Equipment	01 April 2018	Unlikely there will be a material impact
GRAP 16 (as amended 2016): Investment Property	01 April 2018	Unlikely there will be a material impact

2.1 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

2.2 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2017 or later periods:

The aggregate impact of the initial application of the statements and interpretations on the municipality's annual financial statements is expected to be as follows:

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

3. OPERATING LEASE ASSET (ACCRUAL)

Current assets	-	7 002
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Figures in Rand	2017	2016
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4. Receivables from non-exchange transactions

Fines	4 725 140	3 291 970
Rates	92 461 504	71 431 410
Staff and payroll debtors	606 247	9 000
Councillor	3 832	3 832
Allowance - Councillors and staff	(12 832)	(12 832)
Allowance - Fines	(4 207 815)	(2 992 960)
Allowance - Rates	(73 562 532)	(43 319 244)
	20 013 544	28 411 176

5. VAT receivable

VAT	15 038 214	5 134 285
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Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
6. Receivables from exchange transactions		
Gross balances		
Refuse removals	33 841 783	25 967 277
Property rental	1 708 825	1 413 913
	35 550 608	27 381 190
Less: Allowance for impairment Less:		
Allowance for impairment	(14 678 003)	(10 475 922)
Net balance		
Refuse	19 163 780	15 491 355
Property rental	1 708 825	1 413 913
	20 872 605	16 905 268
Rates		
Current (0 -30 days)	2 470 434	963 939
31 - 60 days	1 516 490	635 789
61 - 90 days	2 125 251	635 789
91 - 120 days	1 762 794	586 611
121 - 365 days	84 586 745	65 445 344
	92 461 714	68 267 472
Staff Debtor		
> 365 days	9 000	9 000

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Councillor Debtor

> 365 days	3 832	3 832
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Traffic Fines

Current (0 -30 days)	214 450	139 100
31 - 60 days	206 450	61 600
61 - 90 days	133 700	121 600
91 - 120 days	90 100	120 900
121 - 365 days	4 080 140	2 848 770
	4 724 840	3 291 970

Payroll debtors

121 - 365 days	275 335	-
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Refuse

Current (0 -30 days)	967 123	336 907
31 - 60 days	620 971	258 842
61 - 90 days	871 200	249 761
91 - 120 days	710 388	247 180
121 - 365 days	30 672 101	23 194 072
	33 841 783	24 286 762

Figures in Rand	2017	2016
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6. Receivables from exchange transactions (continued)

Property rentals

Current (0 -30 days)	136 154	20 912
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Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

31 - 60 days	42 428	42 548
61 - 90 days	42 428	42 428
91 - 120 days	42 428	42 428
121 - 365 days	1 445 382	1 565 566
	1 708 820	1 713 882

Reconciliation of allowance for impairment Balance

at beginning of the year	26 751 548	28 150 466
Contributions to allowance	(4 202 081)	(1 398 918)
	22 549 467	26 751 548

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	9 826	12 492
Bank balances	5 350 830	20 932 916
Short-term deposits	51 603 784	53 681 698
	56 964 440	74 627 106

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Figures in Rand	Notes to the Annual Financial Statements	2017	2016
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7. Cash and cash equivalents (continued)

THE MUNICIPALITY HAD THE FOLLOWING BANK ACCOUNTS

Account number / description	Bank statement balances			Cash book balances		
	30 June 2017	30 June 2016	30 June 2015	30 June 2017	30 June 2016	30 June 2015
FNB BANK - Main Account 6262 418 5432	1 305 764	8 925 696	6 032 492	1 305 764	8 925 696	6 032 492
Petty Cash	-	-	-	1 683	70	558
ABSA BANK - Operational Account - 4069624954	4 165 127	12 007 220	9 328 117	3 969 909	12 007 220	9 239 413
GRINDROD BANK - Investment - 1644419/110000340006	22 352 243	11 021 308	278 611	22 352 243	11 021 308	278 611
STD BANK - Investment 268741042	10 463 963	10 173 392	16 153	10 463 963	10 173 392	16 153
ABSA BANK - Investments 2073276014	-	-	5 051 140	-	-	5 051 140
FNB BANK - Unspent Conditional Grant 62406733164	1 904 863	1 785 447	1 683 891	1 904 683	1 785 447	1 683 891
FNB BANK - MIG 62420774033164	208 276	195 203	183 981	208 276	195 203	183 981
ITHALA BANK - Investment 18607525	5 160 651	5 056 874	-	5 160 651	5 056 874	-
FNB BANK - Investment	5 617 725	15 319 275	-	5 617 725	15 319 275	-
Investec	5 896 241	10 130 199	-	5 896 241	10 130 199	-
Cashier's Collection	-	-	-	8 143	12 379	21 817
Total	57 074 853	74 614 614	22 574 385	56 889 281	74 627 063	22 508 056

8.PROPERTY, PLANT AND EQUIPMENT

2017

2016

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	148 299 927	(11 211 903)	137 088 024	95 620 115	(12 099 992)	83 520 123
Plant and machinery	3 843 779	(485 554)	3 358 225	663 779	(398 267)	265 512
Motor vehicles	7 336 154	(4 151 583)	3 184 571	5 848 726	(3 248 954)	2 599 772
Office equipment	8 951 112	(7 073 162)	1 877 950	8 269 248	(6 035 203)	2 234 045
Infrastructure	245 123 205	(133 429 791)	111 693 414	190 441 698	(119 823 560)	70 618 138
WIP	-	-	-	72 261 636	-	72 261 636
Total	413 554 177	(156 351 993)	257 202 184	373 105 202	(141 605 976)	231 499 226

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand

8. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2017

	Opening balance		WIP opening Transfers in balance adjustment		Transfers out	WIP	Reclassification on WIP	Depreciation	Write offs	Total	
Buildings	83 520 123	2 849 099	29 288 041	9 454 834	(20 499 539)	28 726 936	-	(2 789 272)	-	137 024	088
Plant and machinery	265 512	3 180 000	-	-	-	-	-	(87 287)	-	3 358 225	
Motor vehicles	2 599 772	1 945 106	-	-	-	-	-	(902 629)	(457 678)	3 184 571	
Office equipment	2 234 045	710 164	-	-	(13 209)	-	-	(1 053 050)	-	1 877 950	
Infrastructure	70 618 138	-	42 973 596	15 501 006	(7 969 319)	21 204 047	(16 138 247)	(9 886 926)	-	111 414	693
	159 237 590	8 684 369	72 261 637	24 955 840	(28 482 067)	49 930 983	(16 138 247)	(14 719 164)	(457 678)	257 184	202

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Transfers	Depreciation	Impairment	Closing balance
Buildings	64 186 500	-	21 698 470	(2 364 847)	-	83 520 123
Plant and machinery	331 890	-	-	(66 378)	-	265 512
Motor vehicles	3 795 728	-	-	(1 195 956)	-	2 599 772
Office equipment	2 992 870	670	-	(1 417 443)	(11 700)	2 234 045

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

		318						
Infrastructure	65 237 434	-	16 427 569	(11 046 865)	-	70 618		
						138		
WIP	77 656 888	47 553	(38 126 039)	-	(14 822 481)	72 261		
		268				636		
	214 201 310	48 223	-	(16 091 489)	(14 834 181)	231	499	
		586				226		

WIP TAKING LONGER PERIOD OF TIME TO COMPLETE

Below is a list of projects that are taking longer time to complete than expected:

Mkhuze Stormwater Project

1 678 189

1 678 189

Feasibility study for this project was done in 2011 at a cost of **R 1 678 189**, it was discovered that the project is too expensive. The councillors decided to put the project on hold until the municipality obtain more funding.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

2017

2016

8.PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

9.INTANGIBLE ASSETS

	2017			2016		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Computer software and systems	2 048 535	(750 221)	1 298 314	883 379	(298 371)	585 008

Reconciliation of intangible assets - 2017

	Opening balance	Additions	Amortisation	Closing balance
Computer software and systems	585 008	1 165 156	(451 850)	1 298 314

Reconciliation of intangible assets - 2016

	Opening balance	Additions	Amortisation	Closing balance
Computer software and systems	132 433	547 785	(95 210)	585 008

10. Finance lease obligation

Minimum lease payments due

- within one year	-	139 960
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Present value of minimum lease payments due

- within one year	-	139 960
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It is municipality policy to lease certain equipment under finance leases.

The average lease term was 3 years and the average effective borrowing rate was -% (2016: 9%).

The Finance lease agreement has expired in the 2016-17 and ownership of photocopiers was transferred to the Municipality.

11.PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables	6 886 268	12 781 803
Retention	5 181 643	5 935 876
Surety	1 145 005	285 000
Payroll creditors	11 833	-
Other payables	285 651	-
	13 510 400	19 002 679

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
12. Unspent conditional grants and receipts		
Unspent conditional grants and receipts comprises of:		
Unspent conditional grants and receipts Housing		
grant	76 073	83 492
MIG	2 633 886	2 280 847
Ndumo sport field	-	508 922
Internal control unit	-	150 000
Ward committee induction training	-	5 355
Municipal housing sector plan	-	11 775
Jozini upgrading projects	-	107 606
Fresh product market	73 002	73 002
Bhambanana town formalisation	-	69 366
Synegistic program	-	7 224
Ubuhle besiko cultural village	69 700	69 700
Bhanjana road	-	624 412
IDP Grant	-	240
National electrification grant	3 267 666	3 517 276
Development of recycling centre	10 730	10 730
LG Expert	-	22 384
Jozini town formalisation	-	1 626 702
DBSA contribution	-	10 365
Implementation of pound	48 418	48 418
	6 179 475	9 227 816

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
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13. Provisions

Reconciliation of provisions - 2017

	Opening Balance	Additions	Closing balance
Provision for long service award	1 255 000	430 000	1 685 000
Provision for leave pay	3 055 711	711 679	3 767 390
Provision for landfill site	4 827 916	622 141	5 450 057
Provision for Annual bonus	654 566	384 272	1 038 838
	9 793 193	2 148 092	11 941 285

Reconciliation of provisions - 2016

	Opening Balance	Additions	Closing balance
Provision for long service award	1 064 000	191 000	1 255 000
Provision for leave pay	2 550 213	505 498	3 055 711
Provision for landfill site	4 277 117	550 799	4 827 916
Provision for Annual bonus	650 660	3 906	654 566
	8 541 990	1 251 203	9 793 193

THE PROVISION FOR REHABILITATION OF LANDFILL SITE

The provision for rehabilitation of landfill sites relates to the legal obligation to rehabilitate landfill sites used for waste disposal in accordance with the National Environmental Management Act 107 of 1998 and the Environment Conservation Act No 73 of 1989. It is calculated as the present value of the expenditure expected to be required to settle the future obligation to rehabilitate the landfill sites.

The discount rate used reflects the current market assessment of the time value of money and the risks specific to the liability.

The valuation for the provision of the landfill sites was reviewed by an independent landfill site and environmental specialist.

The annual bonus

The annual bonus is payable on the anniversary of the employee's date of employment with the Municipality. The annual bonus is calculated monthly as per the formula at the ordinary salary rate earned during each relevant month and accumulated and paid to the employee.

A Municipality pays every employee, for each month that the employee was paid or entitled to be paid in respect of each completed 12 months of service with such Municipality. In the event that the employee's contract of employment ends before the end of any subsequent 12 month cycle with the same Municipality, the employee receives a prorated share of the bonus for the period of the year that he/she has worked.

PERFORMANCE BONUS

In terms of the performance agreements, employee's contract of employment, Local Government Performance Regulations 2006, and the Jozini Remuneration Policy, management (Section 57 managers) are entitled to the payment of a performance bonus that is equivalent to the score obtained during performance appraisal.

PROVISION FOR LEAVE

Relates to accrual for unused leave at year-end. The leave is expected to be taken over the next two financial years and is calculated based on employee total cost to company.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
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The leave is payable to the employee on resignation and has an option of the leave days to be paid out or cashed.

Long Service Award Defined Contribution Plan.

13. PROVISIONS (CONTINUED)

These schemes cannot be broken down per municipality, as they are considered to be multi-employer schemes and hence are treated as defined contribution schemes by the municipality.

Independent valuers, One Pangaea Financial, carried out a statutory valuation on an annual basis. The principal actuarial assumptions used were as follows

	Long service award	
Figures in Rand	2017	2016
Discount rate per annum	9,01 %	8,95 %
General inflation	5,81 %	6,58 %
Health care inflation rate	6,81 %	7,58 %
Net discount rate	2,06 %	1,27 %
	23,69 %	24,38 %

Examples of mortality rates used were as follows:

Ava retirement age	63	
63 Mortality during employment	SA85-90	SA85-90

Members withdrawn from services:

AVERAGE FOR MALES AND FEMALES	2017	2016
Age 20-24	16,00 %	24,00 %
Age 25-29	12,00 %	18,00 %
Age 30-34	10,00 %	15,00 %
Age 35-39	8,00 %	10,00 %
Age 40-44	6,00 %	6,00 %
Age 45-49	4,00 %	4,00 %
Age 50-54	2,00 %	2,00 %
	58,00 %	79,00 %

THE AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION WERE DETERMINED AS FOLLOWS

Percent value of funded obligation	1 685 000	1 255 000
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14. Deposit and Refund

Deposits and refund

Unclaimed deposits relating to hall hiring and sale of land Hall

hire	12 793	27 639
Sale of stand	762 204	762 204
	774 997	789 843

Figures in Rand	2017	2016
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Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

15. Revenue

Service charges	3 359 662	3 673 895
Rental of facilities and equipment	758 628	758 201
Licences and permits	1 100 460	1 040 080
Other income	760 540	694 338
Interest received - investment	20 741 525	16 937 316
Property rates	26 614 453	25 528 119
Government grants	181 620 951	191 827 658
Fines, Penalties and Forfeits	1 631 999	1 361 216
	236 588 218	241 820 823

The amount included in revenue arising from exchanges of goods or services

are as follows: Service charges	3 359 662	3 673 895
Rental of facilities and equipment	758 628	758 201
Licences and permits	1 100 460	1 040 080
Other income	760 540	694 338
Interest received - investment	20 741 525	16 937 316
	26 720 815	23 103 830

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Property rates	26 614 453	25 528 119
Transfer revenue		
Government grants	181 620 951	191 827 658
Fines, Penalties and Forfeits	1 631 999	1 361 216
	209 867 403	218 716 993

16. Service charges

Residential properties	1 400 568	1 422 561
Rural communal land	455 561	463 173
Specialised properties	(36 925)	238 752
Commercial properties	1 540 458	1 549 409
	3 359 662	3 673 895

17. Other income

Miscellaneous	68 603	22 323
Cemeteries	6 812	10 974
Town planning fees	22 497	20 458
Local Government SETA	470	-
Commission Received	26 824	17 368
Library fines, Combo signs and trading licences	3 948	2 281
Sale Of Documents	93 846	35 790

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Clearance Certificates (Rates)	2 744	3 185
Ashbin waste management fund	-	2 705
Employees cell phone deduction	93 376	261 771
Stadiums and Halls Hire	31 689	63 609
Insurance claims	321 912	-
Direct deposit clearing	3 845	3 845
Refund LGSETA	82 800	247 587
Billboards	1 174	2 442
	760 540	694 338

18. Interest income**Jozini Local Municipality**

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements**Interest revenue**

Interest charged on trade and other receivables	13 739 019	12 550 130
Interest received - external investments	4 920 245	2 405 854
Interest received - current account	2 082 261	1 981 332
	20 741 525	16 937 316

19. Property rates**Rates received**

Residential	1 664 823	1 714 517
Commercial	10 208 448	9 886 709
State	14 802 373	12 679 921
Agricultural	2 177 341	2 010 328
Rural Communal Land	818 059	714 764
Public Service Infrastructure	26 367	23 847
Specialised Properties	(404)	2 958 331
Less: Rebates and exemptions	(1 494 343)	(1 454 309)
Less: Income forgone	(1 588 211)	(3 005 989)
	26 614 453	25 528 119

Valuations

Agriculture	859 398 000	859 398 000
Business, Commercial and Industrial	465 034 000	465 034 000
Commercial Tourism	138 586 000	138 586 000
Hospitality industry	1 880 000	1 880 000
Municipal	3 040 000	3 040 000
Place of worship	9 563 000	9 563 000
Protected areas	865 549 000	865 549 000
Public Service Infrastructure	13 311 000	13 311 000
Rural Communal Land	255 273 000	255 273 000
Residential	153 228 000	153 228 000
Specialised Non-Market	83 047 000	83 047 000
State Owned		

Valuations on land and buildings are performed every 5 years. The last general valuation came into effect on 1 July 2013. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

A reduction in the value of residential properties for rating purposes will apply at R60, 000. The municipality will in terms of the Property Rates Policy consider rebates on certain categories of owners of properties namely Pensioners, disabled and retiree and certain use of categories which include non-profit organisations. Formal applications that comply with the criteria stipulated in the Property Rates Policy must be submitted.

Rebates of -% (2016: -%) are granted to agricultural properties owners and Public Service Infrastructure of 30% (2014: 30%)

Interest at 1.5% per annum (2016: -%), is levied on rates not paid on the due date.

Figures in Rand	2017	2016
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Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

20. Government grants

Operating grants

Equitable share	134 845 000	136 441 000
Unspent Cond Grant(Emachibini Hall)	1 988 876	-
Finance Management Grant	1 825 000	1 519 000
Government grant (operating) 4	19 195	-
Government grant (operating) 5	508 922	-
Library grant	1 013 857	1 126 185
Government grant (operating) 9	624 412	-
MSIG	-	652 000
EPWP	3 338 000	1 899 000
Government grant (operating) 19	10 365	-
	144 173 627	141 637 185

Capital grants

National Electrification Program Grant	2 111 363	11 482 724
MIG	35 335 961	38 707 749
	37 447 324	50 190 473
	181 620 951	191 827 658

Conditional and Unconditional

Included in above are the following grants received:

Conditional grants received	59 723 000	191 632 512
Unconditional grants received	134 845 000	135 882 000
	194 568 000	327 514 512

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

HOUSING GRANT

Balance unspent at beginning of year	83 492	83 492
Transfer from Municipal Housing Sector Grant	11 775	-
Conditions met - transferred to revenue	(19 194)	-
	76 073	83 492

Conditions still to be met - remain liabilities (see note 12).

Municipal infrastructure grant

Balance unspent at beginning of year	2 280 847	2 280 847
Current-year receipts	35 689 000	36 213 000
Conditions met - transferred to revenue	(35 335 961)	(36 213 000)
	2 633 886	2 280 847

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Conditions still to be met - remain liabilities (see note 12).

Ndumo Sport field

Balance unspent at beginning of year	508 922	508 922
Conditions met - transferred to revenue	(508 922)	-
	-	508 922

Figures in Rand	2017	2016
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20. Government grants (continued)

Establishment of internal control unit

Balance unspent at beginning of year	150 000	150 000
Conditions met - transferred to revenue	(150 000)	-
	-	150 000

Ward committee induction training

Balance unspent at beginning of year	5 355	5 355
Conditions met - transferred to revenue	(5 355)	-
	-	5 355

Municipal housing sector plan Balance

unspent at beginning of year	11 775	11 775
Transferred to Housing grant	(11 775)	-
	-	11 775

Jozini upgrading project

Balance unspent at beginning of year	107 606	107 606
Conditions met - transferred to revenue	(107 606)	-
	-	107 606

Fresh product market

Balance unspent at beginning of year	73 002	73 002
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Conditions still to be met - remain liabilities (see note 12).

Bhambanana town formalisation

Balance unspent at beginning of year	69 366	69 366
Conditions met - transferred to revenue	(69 366)	-
	-	69 366

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Synergistic programme

Balance unspent at beginning of year	7 224	7 224
Conditions met - transferred to revenue	(7 224)	-
	-	7 224

Ubuhle besiko cultural village

Balance unspent at beginning of year	69 700	69 700
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Conditions still to be met - remain liabilities (see note 12).

Bhanjana road

Balance unspent at beginning of year	624 412	624 412
Conditions met - transferred to revenue	(624 412)	-

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
20. Government grants (continued)	-	624 412
Umnothophansi Ndumo and maize milling project		
Conditions still to be met - remain liabilities (see note 12).		
Library grant		
Balance unspent at beginning of year	(129 385)	-
Current-year receipts	871 000	996 800
Conditions met - transferred to revenue	(741 615)	(1 126 185)
	-	(129 385)
Conditions still to be met - remain liabilities (see note 12).		
IDP Grant		
Balance unspent at beginning of year	240	240
Conditions met - transferred to revenue	(240)	-
	-	240
Conditions still to be met - remain liabilities (see note 12).		
MSIG grant		
Current-year receipts	-	930 000
	-	(278 000)
Conditions met - transferred to revenue	-	(652 000)
	-	-
Conditions still to be met - remain liabilities (see note 12).		
FMG		
Current-year receipts	1 825 000	1 800 000
	-	(281 000)
Conditions met - transferred to revenue	(1 825 000)	(1 519 000)
	-	-
Conditions still to be met - remain liabilities (see note 12).		
EPWP		
Current-year receipts	3 338 000	1 899 000
Conditions met - transferred to revenue	(3 338 000)	(1 899 000)

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

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Conditions still to be met - remain liabilities (see note 12).

Provide explanations of conditions still to be met and other relevant information.

Integrated national electrification

Balance unspent at beginning of year	7 034 552	3 517 276
Current-year receipts	18 000 000	15 000 000

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
<hr/>		
20. Government grants (continued)		
Conditions met - transferred to revenue	(18 249 610)	(11 482 724)
	6 784 942	7 034 552
<hr/>		
Conditions still to be met - remain liabilities (see note 12).		
Development of recycling centre		
Balance unspent at beginning of year	10 730	10 730
<hr/>		
Conditions still to be met - remain liabilities (see note 12).		
LG expert		
Balance unspent at beginning of year	22 384	22 384
Conditions met - transferred to revenue	(22 384)	-
	-	22 384
<hr/>		
Conditions still to be met - remain liabilities (see note 12).		
Jozini town formalisation		
Balance unspent at beginning of year	1 626 702	1 626 702
Conditions met - transferred to revenue	(1 626 702)	-
	-	1 626 702
<hr/>		
Conditions still to be met - remain liabilities (see note 12).		
DBSA contribution		
Balance unspent at beginning of year	10 365	10 365
Conditions met - transferred to revenue	(10 365)	-
	-	10 365
<hr/>		
Implementation of pound		
Balance unspent at beginning of year	48 418	48 418
<hr/>		
Conditions still to be met - remain liabilities (see note 12).		
Supply of solar, water and geyser		
Current-year receipts	-	3 127 794
Conditions met - transferred to revenue	-	(3 127 794)
	-	-
<hr/>		
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Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

21. Fines

Traffic Fines	1 606 625	1 349 250
Pound fines	21 839	7 868
Library fines	3 835	4 098
	1 632 299	1 361 216

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
22. Employee related costs		
Basic	38 081 236	33 366 802
Bonus	2 362 820	1 599 246
Medical aid - company contributions	1 780 193	1 502 041
Unemployment Insurance Fund	298 147	260 500
Skills Development Levy	411 295	359 124
Rural Allowances	-	136 353
Leave pay provision charge	734 224	859 538
Defined contribution plans	4 821 329	3 918 222
Travel, motor car, accommodation, subsistence and other allowances	5 392 177	2 754 185
Overtime payments	3 193 710	1 977 919
Acting allowances	23 305	-
Housing benefits and allowances	302 818	451 275
Cell phone allowances	154 739	269 313
Personal facility	172 021	232 413
Solid waste salaries	1 203 007	1 178 382
	58 931 021	48 865 313

Remuneration of municipal manager (M Somana)

Annual Remuneration	81 934	315 828
Acting allowance	8 193	-
Travel/Car Allowance	-	19 080
Contributions to UIF, Medical and Pension Funds	1 050	18 800
	91 177	745 726

During the year, three people acted on the position of Municipal Manager. M Somana was paid a total of R91 177, SW Zondo was paid R462 170 and JFK Khumalo was paid R290 371.

REMUNERATION OF ACTING MUNICIPAL MANAGER (SW ZONDO)

Annual Remuneration	195 423	470 903
Travel Allowance	64 104	-
Performance Bonuses	-	33 029
Contributions to UIF, Medical and Pension Funds	44 155	-
Acting Allowance	132 311	-
Other	26 176	-
	462 169	503 932

Remuneration of Municipal Manager (JFK Khumalo)

Basic salary	260 549	-
Contributions to UIF, Medical and Pension Funds	3 249	-
Other	26 573	-
	290 371	-

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
22. Employee related costs (continued)		
Remuneration of Chief Financial Officer (Z Soji)		
Annual Remuneration	-	287 846
Car Allowance	-	79 919
Performance Bonuses	-	6 437
Contributions to UIF, Medical and Pension Funds	-	31 830
Other	-	44 399
	-	450 431
Remuneration of technical services (SG Hlatshwayo)		
Annual Remuneration	-	381 598
Car Allowance	-	135 000
Contributions to UIF, Medical and Pension Funds	-	81 282
Other	-	72 298
Other	-	93 921
	-	764 099
Acting Chief Financial Officer (IS Xulu)		
Annual Remuneration	131 418	-
Travel Allowance	42 639	-
Contributions to UIF, Medical and Pension Funds	29 870	-
Acting Allowance	23 680	21 311
	227 607	21 311
Technical- Acting Director - MN Nkala		
Annual Remuneration	229 981	-
Travel Allowance	74 619	-
Contributions to UIF, Medical and Pension Funds	26 300	-
Acting allowance	41 439	-
	372 339	-
Planning Acting Director - MS Mabaso		
Annual Remuneration	131 418	-
Travel Allowance	42 639	-
Contributions to UIF, Medical and Pension Funds	57 097	-
Acting allowance	23 680	-
	254 834	-

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Acting chief financial officer(VI Gumede)

Annual Remuneration	248 047	-
Travel Allowance	79 948	-
Acting Allowance	41 439	-
	369 434	-

Director Community services(Acting)

Annual Remuneration	131 418	-
Travel Allowance	42 639	-

Figures in Rand	2017	2016
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22. Employee related costs (continued)

Contributions to UIF, Medical and Pension Funds	47 427	-
Acting Allowance	23 680	-
	245 164	-

23. Remuneration of councillors

Mayor	786 347	-
Deputy Mayor	489 057	-
Executive Committee Members	1 738 950	-
Speaker	737 870	-
Councillors	6 617 658	10 604 239
	10 369 882	10 604 239

In-kind benefits

The Mayor and the Speaker each have the use of separate Council owned vehicles for official duties.

The Mayor and speaker each have two full-time bodyguards.

24. Depreciation and amortisation

Property, plant and equipment	14 685 464	15 988 998
Intangible assets	451 851	95 210
	15 137 315	16 084 208

25. Finance costs

Other interest paid	633 969	578 481
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26. Debt impairment

Provision for debt allowance	-	27 341 867
Bad debts written off	35 660 224	1 311 425

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

	35 660 224	28 653 292
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27. Contracted services

State Information Technology Agency	53 931	15 965
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28. Grant expenditure

Other subsidies

Finance Management Grant - FMG	1 899 931	1 017 137
Library grant	1 240 936	1 242 584
MSIG	-	372 851
	3 140 867	2 632 572

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
29. General expenses		
Audit committee fees and Council Expenses	379 310	404 733
Advertising	496 697	471 730
Auditors remuneration	1 651 347	1 485 874
Bank charges	137 252	53 580
Cleaning	772 568	286 948
Consultants fees	6 881 797	4 696 947
Internal Audit fees	1 212 822	785 362
Entertainment	1 387 490	754 661
Free Basic Services	1 456 882	398 390
Insurance	377 292	288 567
Wellness	902 458	516 711
Accommodation expense	3 397 865	2 294 934
Ward Committee Support	926 241	1 286 622
Water and Electricity	1 043 029	15 954 060
Motor vehicle Licences	122 842	38 513
Fuel and oil	1 495 065	1 253 118
Printing and stationery	844 396	756 396
Publicity	419 189	328 933
Postage and Telephone	353 010	433 958
Subscriptions and membership fees	500 322	645 959
Cell phones and data card expenses	2 309 186	1 604 291
Training	3 122 488	2 721 004
Subsistence & Travel	6 086 558	4 201 942
Repairs and Maintenance	6 559 337	3 058 041
Refuse removal expenses	148 307	170 557
Communication&Promotional Material	179 700	-
Synegetic Partnership	248 516	60 647
Tools	98 384	22 032
Uniforms and Safety	753 259	265 326
Tourism and LED	1 283 393	737 893
Outsourced Services	1 417 948	1 280 364
Pound Expenses	508 970	311 432
Municipal special programmes and events	9 815 493	4 568 613
Poverty alleviation	20 804 638	13 927 408
PMS Annual Report and Strategic planning	2 753 525	298 293
Recruitment expenses	526 282	103 958
Operation Sukuma Sakhe Interventions	4 354 266	1 273 975
School Crossing and licences	93 600	71 157
Community participation programmes	993 626	1 336 600
Valuation roll expense	171 980	407 965
Ward Committees Out of Pocket Expenses	3 274 159	2 390 976
Housing Conveyance, plant hire and long Service award	1 012 939	557 780
	91 274 428	72 506 250

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Ward committee out of pocket expenses was re-classified as ward committee expenses and ward committee induction was included

School crossing and licences was re-classified

REPAIRS AND MAINTENANCE REPAIRS AND MAINTENANCE HAS BEEN RE-CLASSIFIED UNDER GENERAL EXPENDITURE AND FURTHER BROKEN DOWN IN TERMS OF ASSET CLASSES

Repairs and Maintenance buildings	4 654 899	1 349 735
Repairs and maintenance Equipment	728 611	167 837
Repairs and maintenance Infrastructure	1 739 251	796 347
Repairs and maintenance motor vehicles	1 103 190	744 122
Figures in Rand	2017	2016

29. General expenses (continued)

8 225 951 3 058 041

Audit Committee fees have been re-classified as Audit committee fees and council expenses, and council expenses was mapped to the new class of account.

Other Expenditure was re-classified as Outsourced Services Additional test

Tools were reclassified from other expenditure

Legal fees were re-classified as Consultants fees

Tourism and LED was re-classified from other expenditure

Water and Electricity was re-classified from other expenditure

Recruitment expenses was reclassified from other expenditure

Refuse removal expenses was reclassified from other expenditure

Uniform and Safety expenses was re-classified from other expenditure

30. CASH GENERATED FROM OPERATIONS

Surplus	21 386 581	61 880 503
Adjustments for:		
Depreciation and amortisation	15 137 315	16 084 208
Movements in operating lease assets and accruals	7 002	1 129
Movements in provisions	2 148 092	1 251 204
Other non-cash items	(13 850 232)	51 370 921
Finance costs	633 969	762 202
Movement in leave pay	-	344 585
Debt impairment allowance	35 660 224	17 306 527
Changes in working capital:		
Receivables from exchange transactions	(8 169 418)	7 787 633
Consumer debtors	-	(5 021 839)
Other receivables from non-exchange transactions	8 397 632	(28 411 176)
Payables from exchange transactions	(5 492 279)	-
VAT	(9 903 929)	(2 747 581)
Unspent conditional grants and receipts	(3 048 341)	893 143
	42 906 616	121 501 459

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

31. Commitments

Authorised capital expenditure

Already contracted for but not provided for

<input type="checkbox"/> Property, plant and equipment	36 813 264	25 747 391
<input type="checkbox"/> Operating Commitments (issued orders at year end)	2 742 216	1 758 965
	39 555 480	27 506 356

Figures in Rand	2017	2016
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32. Contingencies

Matter	Name of claimant	Date of claim	Progress on claim	Possible liability	Total
Unlawful arrest & assault	Mr Mthembu & Mr Ngcamphalala		Matter removed from trial roll 02.11.2016, due to unavailability of presiding officer	90 000	90 000
Vat Services	Person Investments (pty) LTD t/a Chain Concepts		Attended pre-trial conference on 20.06.2017	3 500 000	3 500 000
Breach of contract	Siyakwethembu a Construction JV Mbuthuma Construction		Received instructions from Municipal Manager 05.05.2017 to close file	670 754	670 754
Application to Compel	Pale Native Consulting		Attended trial on 28.11.2016 MEC applied for leave to appeal on judgement given on 09.12.2016	80 000	80 000
Claim for damages	Victoria Makhosazana Zakaza		Awaiting documentation from Municipality	30 347	30 347
				4 371 101	4 371 101

33. PRIOR PERIOD ERRORS

Items of property plant and equipment were incorrectly reported in prior due to the following:

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

2017 2016

Figures in Rand

Joy project.

An amount of R4 593 850 was paid and capitalised to infrastructure under construction in prior years. However during the current year it was noted that no asset exist and was incorrectly recognised as an asset. The project was retrospectively impaired to zero and investigation is correctly under way. The impact resulted in decrease in infrastructure under construction by R4 593 850 and a decrease in accumulated surplus of the same amount.

JOZINI STORM WATER

This project was completed and was available for use from 2011 but it was not depreciated. Depreciation was therefore retrospectively adjusted as follows:

Increase in accumulated depreciation (infrastructure) R 1 112 949

Increase in depreciation expense for 2016- R 243 395

Decrease in accumulated surplus R869 554

MARKET STALLS

This project was incorrectly recognised as expense and was erroneously presented under employee costs. However it was later noted that the asset still belong to the municipality and should be accounted for as such. The full amount was capitalised with retrospective asset to correct the error. No depreciation will be recognised as yet as the asset is still under work in progress. The full amount of the project incorrectly expensed in prior year is R1 733 408. Adjustment of the error resulted in increase in infrastructure by R1 733 408 and decrease in employee costs by the same amount.

The correction of the error(s) results in adjustments as follows:

STATEMENT OF FINANCIAL POSITION

Property, plant and equipment	-	(3 973 390)
Opening Accumulated Surplus	-	5 463 403

Statement of Financial Performance

Depreciation expense	-	243 395
Employee costs- Basic	-	(1 733 408)

34.COMPARATIVE FIGURES

Certain comparative figures have been reclassified for the prior period to conform to current period presentations. These reclassification involve movements within property plant and equipment items

The effects of the reclassification are as follows:

STATEMENT OF FINANCIAL POSITION

Increase in Plant and Machinery	-	265 512
Decrease in Motor Vehicles	-	(265 512)

Statement of Financial Performance

Decrease in Repairs and maintenance	-	(3 058 041)
Increase in general expenses	-	3 058 041

35. Risk management

Financial risk management

35. Risk management (continued)

LIQUIDITY RISK

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

At 30 June 2016

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Borrowings	19 002 637	-	-	-
Derivative financial instruments	139 690	-	-	-

CREDIT RISK

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand

2017

2016

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Market risk

INTEREST RATE RISK

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

36.GOING CONCERN

We draw attention to the fact that at 30 June 2017, the municipality had accumulated Surplus of 338 983 139 and that the municipality's total liabilities exceed its assets by 338 983 143.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the current assets were higher than current liabilities. This was mainly due to high receivables from nonexchange transactions as well as cash backed unspent conditional grants. Further, the municipality will continue to operate as going concern as there are guaranteed equitable share allocations that will be injecting cash on a continuous basis.

37.EVENTS AFTER THE REPORTING DATE

In September 2017, Jozini was affected by a thunderstorm and a Jojo Tank worth R 5,075 situated at Mzinyeni Hall was vandalised beyond repair. The total cost of this asset will be impaired in 2018 financial year. Further to that, laptops of the municipality worth R 51 017, 92 were affected by the lightning and the total amount will be impaired in 2018 financial year. The accounting officer is not aware of any other matter or circumstance arising since the end of the financial year.

38.UNAUTHORISED EXPENDITURE

Unauthorised expenditure	37 697 458	17 790 911
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Figures in Rand	2017	2016
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39. Fruitless and wasteful expenditure

Interest SARS	46 809	-
Penalties SARS	219 531	-
Other	10 447	116 582
	276 787	116 582

Fraud

Ghost Employees	275 335	-
Joy Project	4 593 850	-
	4 869 185	-

Ghost Employees: A case of fraud has been opened by the municipality as there were ghost employees identified under payroll. This case is still under investigations by the Hawks and there is forensic investigation under way as well

Joy Project: Forensic investigation is underway to establish the existence of this structure. It can, however, be stated that no structure exists and if this is proven the matter would be reported to relevant legal authorities for action.

40.IRREGULAR EXPENDITURE

Opening balance	294 187 641	240 374 069
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Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Add: Irregular Expenditure - current year	783 070	5 316 821
Add: Irregular Expenditure - Capital Expenditure/ Tender Prior year	18 298 055	43 370 850
Irregular Other	142 887	4 983 494
Excess payments on lease agreement	-	142 407
	313 411 653	294 187 641

Analysis of expenditure awaiting condonation per age classification

Current year	22 568 163	53 813 572
Prior years	294 187 641	240 374 069
	316 755 804	294 187 641

41. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	-	625 000
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Audit fees

Current year fee	1 658 264	1 436 469
Amount paid - current year	(1 658 264)	(1 436 469)
	-	-

PAYE and UIF

Current year subscription / fee	8 806 551	4 721 589
Amount paid - current year	(8 806 551)	(4 215 467)
	-	506 122

Figures in Rand	2017	2016
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41. Additional disclosure in terms of Municipal Finance Management Act (continued)

Pension and Medical Aid Deductions

Current year subscription / fee	9 262 147	4 740 892
Amount paid - current year	(9 262 147)	(4 740 892)
	-	-

42.DEVIATION FROM SUPPLY CHAIN MANAGEMENT REGULATIONS

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the and include as a note to the annual financial statements.

Buses and gym equipment were procured during the financial year under review and the process followed in procuring those goods deviated from the provisions of paragraph 12(1) (d) (i) as stated above. The reasons for these deviations were documented and reported to the Accounting Officer who considered them and subsequently approved the deviation from the normal supply chain management regulations.

43. Deviations from SCM procedures (in terms of section 36) of Municipal

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

HEADING	2017	2016
Opening Balance	10 781 235	7 511 124
Current Year	11 613 813	3 270 111
	22 395 048	10 781 235

44. Budget differences

DIFFERENCES BETWEEN BUDGET AND ACTUAL AMOUNTS BASIS OF PREPARATION AND PRESENTATION

The budget and the accounting bases differ. The annual financial statements for the whole-of-government are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance. The annual financial statements are separate statements for the fiscal period from 2016/07/01 to 2017/06/30. The annual financial statements differ from the budget, which is approved on the cash basis and which deals only with the general government sector that excludes government business enterprises and certain other non-market government entities and activities. The amounts in the annual financial statements were recast from the accrual basis to the cash basis and reclassified by functional classification to be on the same basis as the final approved budget. In addition, adjustments to amounts in the annual financial statements for timing differences associated with the continuing appropriation and differences in the entities covered (government business enterprises) were made to express the actual amounts on a comparable basis to the final approved budget. The amounts of these adjustments are identified in the following table.

Fines-Municipality has under-budgeted because budgeting was based on receipts not on fine issue

Interest on investment-Expenditure on Mig projects was very slow in the first half of the year and surplus funds were invested and hence accumulation of interest was greater than initially anticipated.

interest on overdue account-The municipality has been under-collecting over the years, hence alarming debit balance, hence the engagement with debt collectors. Data cleansing is required for effective debt collection.

Other revenue-Other revenue includes R2.8 million which was also included on the interest on investment, hence over budgeting on other revenue.

Property rate- Billing of new properties like Cambridge stores was not catered for in the budget.

44.BUDGET DIFFERENCES (CONTINUED)

Refused removal-New customers registered in the second half of the financial year, including big retailers such as Cambridge stores,

Rental of facilities-Rental of facilities include Thusong Services and hall hire charges which depend on event.

Transfers recognised capital-The municipality experienced a challenge of implementing Mig projects in the beginning of the financial year owing to the fact that the politically power had been equal since inauguration. Bid committees were formed later in the year resulting in late awarding of contracts and hence low expenditure Mig in the first half of the financial year. National Treasury then issued an intention to withhold the R5 million culminating to an adjustment in the final budget.

Unspent conditional grant capital- COGTA only grant R1,98 million unspent grants and the rest was to be taken out of own funding.

Consultants-A debt collector has not started collecting on outstanding debt so its budget hasn't been spent on 2016/17 financial year.

Contracted services-Due to the process of renovation taking place in municipality offices the contract to be executed on access control and document management delayed and will be implemented in 2017-18 financial year.

Debt impairment- The municipality budget to write debtor for 11 million, however the write off could not take place due to political instability, however the municipality had to provide for debt impairment more than anticipated to write off due to the huge amount on debtors balance

Depreciation- Due to political instability, heads of departments were not employed permanently on 2016/17 financial year hence delays in completion of capital projects.

Employee related cost- Employee related cost were budgeted accordingly in the original budget, under- performance had been experienced during budget review in January, then a higher volume of recruitments kicked in after the permanent employment of the accounting office. Provision for annual bonus and provision for leave pay have also thrown the actual amount above the budget

Finance costs- The Municipality has made calculated the provision for land fill site, so finance cost raised to that non cash item

Free Basic services- The Municipality provided less on indigent, since it is in the process of finalising fully flashed indigent register.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

General Expenditure- Over -Expenditure is as result of spending more on poverty alleviations which councillors committed them in having savings in 2017-18 financial year. Letters of commitments are available for inspection from Strategic planning section. Also the municipality has implemented forensic investigations hence over- expenditure on legal fees.

Remuneration for Councillors - The Mayor and either the Deputy Mayor or Chief Whip were initially budgeted for on a full time status and were declared part time on inauguration. The designation of council as Mayor, Deputy Mayor, Speaker , Exco Member, Chief Whip and MPAC chair delayed and all counsellors were remunerated as ordinary councillors prior to designation.

Repairs and maintenance access roads-The Municipality decided to introduce another way of maintaining roads by purchasing a Grade

Repairs and maintenance swimming pool-Delays in maintaining municipal swimming pools we experienced in 2016-17 financial year.

Repair and maintenance vehicles-More vehicles were bought in 2016-17 financial year.

Repairs and maintenance street lights- The Municipality had to budget towards the thresh hold on the PPE hence overestimations on public toilets.

Jozini Local Municipality

(Registration number KZN 272)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements